

Big Communications, Inc
Engagement Letter

November 27, 2018

Mayor Tab Bowling
City of Decatur
402 Lee Street NE
Decatur, AL 35601

This letter agreement (the “**Agreement**”) sets forth the terms and conditions for provision of professional advertising and public relations services to **City of Decatur**, 402 Lee Street NE (the “**Client**”), by **Big Marketing and Communications, Inc.**, located at 2121 2nd Avenue North, Suite 100, Birmingham, AL 35203 (the “**Agency**”).

1. **Appointment of Agency.** Agency is able to provide certain professional services to Client, which services are described in **Exhibit A** attached hereto (the “**Services**”). Client hereby appoints Agency, and Agency hereby agrees to serve as, the Client’s Agency of Record for the Services that Client may authorize Agency to provide pursuant to the budget (the “**Budget**”) described in **Exhibit A**. After the approval of the applicable Budget, Agency will be authorized to purchase and provide Services on Client’s behalf.

2. **Budget.** The specific Services that will be provided by Agency to Client will be set forth in a budget, the form of which is attached hereto as Exhibit A (the “**Budget**”). Each Budget must be approved in writing by Client prior to Agency providing the Services set forth in such Budget. Client expressly agrees that any email approval that purports to approve any Budget shall be a sufficient writing for the purposes of approving a Budget and authorizing Agency to proceed thereunder.

3. **Term.** This Agreement shall commence on November 27, 2018 and shall continue until September 30, 2019 and automatically renew thereafter for an additional one (1) year term.

4. **Billing Procedures; Compensation.**

a. Type of Services.

i.Media. Agency bills for media purchases on the first day of the month in which the media is schedule to run. All media is billed at a **15% commission rate of the “gross” amount unless otherwise specified** in the applicable Budget. Agency checks all media advertising before payment for

media is approved, and Client may request a copy of tear sheets associated with the media purchased through a written request. All media placement requests shall name the Client as Advertiser and the Agency as Client's Agency of Record. Agency will service and bill Client each month. Once payment has been made to Agency, Agency assumes full financial responsibility for remitting payment to the media in a timely manner. If, however, the Client fails to remit payment to the Agency, then financial responsibility for payment lies with the Client and not with the Agency. This agreement shall remain in effect until such time that the Agency notifies media that the Client/ Agency relationship has been discontinued and until all payments due have been satisfied by the Client.

ii. Creative/Production. All creative and production projects are billed upon completion of the project. These projects are billed to the approved estimated/budgeted amount with a 15% variance for over/under projects. Progress billing will be used on creative and production projects with estimates/budgets greater than \$25,000. The progress will be billed upon 1/3, 2/3 and final completion of the project – in equal amounts.

iii. Other Services. All other Services included but not limited to account service fees, retainer fees, public relations fee and media traffic fees are billed on the last day of the month in which the charge is incurred.

b. General Terms. All invoices are due within 30 days of the date of the invoice. Any retainers are estimated and billed monthly and are billed on the last day of the month the work is performed. Hard costs are billed monthly to client and are not included in retainer/agency fee unless specified in scope of work. Shipping charges, faxes, long distance telephone calls, travel expenses, delivery charges, overnight delivery service and other expenses that may accrue to a project but cannot be accurately estimated in advance of production are not included in estimates and are billed separately. In the event of default in payment, Client shall pay Agency all costs and expenses, including attorneys' fees, the fees of collection agencies and other expenses incurred in enforcing any of the terms or conditions thereof. The venue for any such legal action shall be Morgan County, Alabama.

5. **Confidentiality.** Neither Client nor Agency shall disclose any Confidential Information other than to employees, agents and other parties that are necessary to fulfill the terms of this Agreement and as otherwise permitted by the other party in writing. This obligation shall survive the Term of this Agreement. For purposes hereof, "Confidential Information" is defined as any non-public, secret or proprietary information, designated orally or in writing as "Confidential" or "Proprietary" or in like words or any information which the receiving party knows or should know is treated as confidential by the disclosing

party. Upon written request therefor, each party shall return to the other party or destroy all Confidential Information in its possession or control. Either party shall be entitled to seek an injunction or other appropriate equitable or legal relief to restrain any breach or threatened breach of this Agreement. Notwithstanding the foregoing, Confidential Information shall not include any information that is (i) publicly known at the time of its disclosure through no fault of the receiving party; (ii) made known to the public by the disclosing party subsequent to its communication to the receiving party; (iii) available to the receiving party from third parties who in making such disclosure breach no law or confidentiality obligation; (iv) generated independently of and prior to its receipt from the disclosing party; or (v) required by law or other legal authority to be disclosed, provided that the receiving party gives the disclosing party prior notice of the required disclosure so that appropriate protective orders or other legal remedies may be sought and provided that such information be used only for the purposes for which the order was issued and only to the extent necessary for compliance with the order.

6. **Ownership.** Subject to the exceptions outlined below and to timely and accurate payment by Client, all works, and any elements thereof, created, performed, delivered, contributed or prepared by Agency pursuant to this Agreement and delivered to Client, and any results and proceeds therefrom, are and will be the sole and exclusive property of Client (the “**Client Work**”). Such Client Work shall constitute a work or works for hire, and Agency agrees to deliver such transfer or ownership documents necessary to reflect such ownership status. Notwithstanding the foregoing, such works shall not be considered “delivered” for purposes hereby until Client has approved and accepted delivery of Client Work and Media in final form and rendered payment in full therefor. For avoidance of doubt, such works shall not be considered “delivered” for purposes hereof if Agency pitches [ideas, mock-ups, story boards, etc.] to client in draft form. Agency shall notify Client if any elements in the delivered works are licensed to Agency by any third party or ownership of such element(s) is retained by Agency. In the event of such third party or retained ownership of any element in any Client Work, Agency hereby represents and warrants that it has the right to license such elements to Client for the duration of the copyright in any such Client Work, and Agency does hereby grant a non-exclusive license for any such element included in any Client Work.

7. **Indemnification.**

a. By Agency. Agency agrees to indemnify, defend and hold harmless Client, its affiliates, subsidiaries, officers and employees, from any and all claims, liabilities, losses and costs, including reasonable attorney fees, arising as a result of third party claims that Client’s use of any Media or Client Work in

accordance with the terms of this Agreement is in violation of the intellectual property rights of such third party under the laws of the United States. Notwithstanding anything to the contrary provided herein, Agency shall not be liable for the failure of third party media or suppliers to meet their obligations, nor shall Agency be liable for delay, omission or error in any advertisement in the absence of willful fault or negligence, or when any omission or error is made substantially in reliance on materials or information supplied by Client.

b. By Client. To the extent allowed by state law, Client agrees to indemnify, defend and hold harmless Agency, its affiliates, subsidiaries, officers and employees, from any and all claims, liabilities, losses and costs, including reasonable attorney fees, arising as a result of third party claims resulting from any materials supplied by Client to Agency. All representations, warranties and indemnification under this Agreement shall survive termination of this agreement.

8. Termination. Either party may terminate this Agreement by sending thirty (30) days written notice to the other party; provided, however that the termination of this Agreement shall not relieve Client from any obligation to pay to Agency any all fees and costs with respect to any Services hereunder (as such terms are defined herein) that are outstanding or committed as of the date of such termination, and Client shall remain liable for any costs incurred in any media buy, including without limitation print, broadcast, outdoor, online and social media outstanding or committed as of the date of termination. Furthermore, all other sums due to Agency for any Services shall be billed to the Client within five (5) days of completion, and shall be due and payable by the Client upon receipt. Any unused or rejected marketing, public relations, advertising or other graphic design programs, plans, designs, and ideas prepared by the Agency will remain the property of the Agency, and shall be used as it sees fit, provided it does not involve the release of any confidential information regarding the Client's business or methods of operation.

9. **General Matters.**

a. Authorization. Each of Agency and Client represent and warrant that to the other that, solely with respect to itself, the execution, delivery, and performance of this Agreement and each Budget has been duly authorized by all necessary action by such party. Furthermore, each party further represents and warrants that this Agreement is a legal, valid, and binding obligation of such party.

b. Notice. Any notices given pursuant to this Agreement shall be delivered by hand delivery, United States mail, or established overnight courier such as Federal Express, at the addresses set forth in the opening paragraph of this

Agreement. Additionally, any notices may be provided by e-mail, provided that the other party acknowledges receipt of such e-mail by return e-mail, or otherwise in writing.

c. Arbitration. Either party may elect to arbitrate any disputes under this Agreement using the rules of the America Arbitration Association.

d. Entire Agreement. This writing contains the entire agreement of the parties. No representations were made or relied on by either party, other than those expressly set forth herein.

e. Modification. Any amendment or modification of this Agreement must be done in writing and signed by Agency and Client.

f. Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama. By execution of this Agreement, Agency and Client consent to personal jurisdiction in the state and federal courts of the State of Alabama located in Morgan County, Alabama.

Date: November 27, 2018

City of Decatur

By: Tab Bowling

Its: Mayor

BIG COMMUNICATIONS, INC.

By: John L Montgomery III

Its: President

EXHIBIT A

The Services and The Budget

Research + Strategic Marketing & Planning

- Discovery Brand Session & Process
- Identification of target audiences & sub-Groups
- Research and data gathering, analytics and consolidated insights

Brand Implementation (Municipal Positioning)

- Target market analysis
- Competitive landscape review and analysis (visual spectrum and color palette of the industry)
- Brand Action Plan (Including Priorities & Implementation Strategy)
- Brand Story & Message
- Brand logo & style guide - primary & secondary logo mark, type specimen, fonts and color palette
- Key Messages for Individual Audiences with Methodologies for Engagement
- Design Concepts for Various Applications (e.g., Social Media, Print, Advertising, Signage, Private Sector Deployment, Municipal Vehicle/Apparel Branding)
- Means to Educate the Internal Public (City Government Staff & Officials) of the Living Brand
- Accountability Plan Measuring the Success of the Branding Project

Account Management

- Regular client communications
- Status updates and reports
- Timeline development, oversight, and management
- Budget oversight and management

Visual Assets (Creative Retainer)

A monthly creative retainer ensures that our creative department is on call for your creative needs. Should our teams decide that specific assets do not exist or we need to concept something not within the scope, Big (Agency) will provide separate estimates to account for our execution.

Deliverables may include:

- Creative and strategic direction
- Identification and development of creative materials to support brand implementation and public relations efforts
- Identification and creation of social media graphics
- Agency time and costs associated with editing and licensing video assets. It does not include hard costs such as music licensing, sound mixing, or the similar.
- Estimates for printing will be provided as needed

Public Relations Planning

- Public involvement and public outreach strategy and execution
- Media planning and media relations strategies for City Staff & Leaders
- Regional and National media relations and outreach
- Local Brand Education/Public Meetings Planning

Public Relations Implementation

- Campaign launch event
- Implementing public meetings and brand education events
- Media drop and media press kit
- Influencer strategy
- Media list development and media pitching
- Research and identification of successful PR outreach opportunities
- Identification of possible partnerships and sponsorships aimed at maximizing brand awareness
- Media training for key personnel and spokespersons

Reporting & Analytics

- Campaign launch event
- Implementing public meetings and brand education events
- Media drop and media press kit
- Influencer strategy
- Media list development and media pitching
- Research and identification of successful PR outreach opportunities
- Identification of possible partnerships and sponsorships aimed at maximizing brand awareness
- Media training for key personnel and spokespersons

Content Creation

- Campaign launch event
- Implementing public meetings and brand education events
- Media drop and media press kit
- Influencer strategy
- Media list development and media pitching
- Research and identification of successful PR outreach opportunities
- Identification of possible partnerships and sponsorships aimed at maximizing brand awareness
- Media training for key personnel and spokespersons

Video

- Campaign launch event
- Implementing public meetings and brand education events
- Media drop and media press kit
- Influencer strategy
- Media list development and media pitching
- Research and identification of successful PR outreach opportunities
- Identification of possible partnerships and sponsorships aimed at maximizing brand awareness
- Media training for key personnel and spokespersons

Collateral Materials

Materials for public meetings and local brand education event as well as City of Decatur and its partners usage. This budget is for hard costs for production. Materials may include but are not limited to the following:

- Booth - table cloth, banner stands, signage
- Stickers
- Brochure
- Posters

Initial/Local Media Buys

For budgeting purposes only, upon approval of a media plan, a media authorization form will be provided for official approval.

| DELIVERABLES | TOTAL | NOTES |
|---------------------------------------|------------------|---|
| Local Branding Initiative | | |
| Research Costs | \$9,000 | One-time fee; Billed upon completion. |
| Brand Implementation | \$60,000 | Billed in thirds. |
| Account Management | \$22,000 | \$2,000 per month |
| Visual Assets (Creative Retainer) | \$24,000 | \$4,000 per month |
| Public Relations Planning | \$7,500 | One-time fee; Billed upon completion. |
| Public Relations Implementation | \$17,000 | \$5,000 month of brand launch; \$2,000 per month subsequently |
| Reporting & Analytics | \$2,400 | Quarterly in March and July |
| Content Creation | \$14,000 | \$2,000 per month |
| Video | \$30,000 | One-time fee; Billed upon completion. Video production costs are for budget purposes only. Upon approval of a full scope of work, a detailed estimate will be submitted for signature. |
| Associated Miscellaneous Costs | | |
| Travel | \$1,375 | For budgeting purposes only. Includes mileage calculated at .45 per mile and meals for an average of 3-4 people for 11 visits estimated at \$125 per visit. |
| Collateral materials | \$30,000 | Production costs are for budget purposes only. Upon approval of a full scope of work, a detailed estimate will be submitted for signature. |
| Local media | \$50,000 | Media costs are for budget purposes only. Upon approval of a media plan, a detailed media authorization will be submitted for signature. |
| TOTAL | \$267,275 | |

Billing Schedule

| ITEM | nov | dec | jan | feb | mar | april | may | june | july | aug | sept | total |
|---------------------------------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| LOCAL BRANDING INITIATIVE | | | | | | | | | | | | |
| Research Costs | \$3,000 | \$3,000 | \$3,000 | | | | | | | | | \$9,000 |
| Brand Implementation | | | \$20,000 | \$20,000 | \$20,000 | | | | | | | \$60,000 |
| Account Management | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$22,000 |
| Visual Assets (Creative Retainer) | | | | | | \$4,000 | \$4,000 | \$4,000 | \$4,000 | \$4,000 | \$4,000 | \$24,000 |
| Public Relations Planning | | | \$7,500 | | | | | | | | | \$7,500 |
| Public Relations Implementation | | | | | \$5,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$17,000 |
| Reporting & Analytics | | | | | \$1,200 | | | | \$1,200 | | | \$2,400 |
| Content Creation | | | | | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$14,000 |
| Video | | | \$15,000 | \$15,000 | | | | | | | | \$30,000 |
| ASSOCIATED MISCELLANEOUS COSTS | | | | | | | | | | | | |
| Travel | \$125 | \$125 | \$125 | \$125 | \$125 | \$125 | \$125 | \$125 | \$125 | \$125 | \$125 | \$1,375 |
| Collateral materials | | | | \$30,000 | | | | | | | | \$30,000 |
| Local media | | | | | \$7,143 | \$7,143 | \$7,143 | \$7,143 | \$7,143 | \$7,143 | \$7,142 | \$50,000 |
| TOTAL | \$5,125 | \$5,125 | \$47,625 | \$67,125 | \$37,468 | \$17,268 | \$17,268 | \$17,268 | \$18,468 | \$17,268 | \$17,267 | \$267,275 |