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Blue Advertising, LLC 607 14th St NW, Suite 300 Washington, DC 20005

This letter of agreement between the American Petroleum Institute (hereinafter "API") and Something Else Strategies (hereinafter "Consultant") is as follows:

1. Scope of Work. API authorizes Consultant to create a two-minute video

Takes include concept development; copy-writing; and managing production and editing by a subcontractor acceptable to API. Consultant shall deliver the video by November 1, 2017.

- Consultant Authorized Representative. Consultant agrees Robert McKernan shall be the project manager. Consultant shall give API prior written notice of the replacement or reduction in the level of effort of the project managers. API shall have the right to approve a reduction in effort and, in the case of replacement of the project managers, API shall have the right to approve a successor.
- API Authorized Representative. Technical and administrative aspects of this agreement will be under the direction of Megan B. Bloomgren, American Petroleum Institute, 1220 L Street, NW, Washington, D.C. 20005, or as otherwise designated. The API representative for work conducted hereunder is Jocelyn Kelly. Consultant shall send all correspondence and reports relating to this agreement to the designated representative's attention at the foregoing address.
- 4. **Compensation.** Pursuant to Consultant's proposal, Consultant shall provide all of the services under this Agreement for an amount not to exceed total as follows:
  - Not to exceed for all production expenses, including but not limited to video editing, talent, music, image rights.
  - Fixed fee for agency creative fee.

API may withhold up to 15% of the agreement amount, pending API's acceptance of all deliverables.

5. Invoicing and Expense Documentation Guidelines. Consultant agrees to follow the guidelines in Exhibit A, API Invoicing and Expense Documentation Guidelines, including how to submit invoices for payment, how to subtotal activity types, what constitutes allowable out of pocket expenses, and payments that the Consultant may not pay directly on API's behalf. Noncompliance with API invoicing guidelines may cause delays processing payments. Additional financial terms for this agreement are as follows:

An equal opportunity employer

- a. Consultant reserves the right to bill API in advance for any third party expenditures, and require payment of such bills prior to incurring any third party expense on behalf of API.
- b. All third party expenditures, including all production expenses, travel and miscellaneous out-of-pocket expenses are to be invoiced to API net, without commissions or mark-ups.
- c. In the event that Consultant requires products or services from third parties in order to fulfill its obligations under this Agreement, it shall provide the details of such requirements and any invoices received to API's authorized representative, and shall submit copies of all paid invoices as attachments to invoices submitted to API.
- d. Consultant agrees to keep track of all costs incurred under this Agreement and notify API in writing when the total outstanding charges reach 80% of the cap amounts for the task. In the event the cost of an expenditure is expected to exceed the contract cap, Consultant shall not proceed without first obtaining prior written approval from API. If Consultant is unable, due to extraordinary or unforeseeable circumstances, to obtain such written approval prior to charges being incurred, Consultant shall notify API that it has exceeded the contract cap not later than two (2) business days from the time it becomes aware of such charges.
- e. Upon provision of notice of termination by API, Consultant agrees to take no action that may increase the expense to API and will use best efforts to avoid any penalties for work modification, suspension, or termination from third party suppliers. API will hold Consultant harmless with respect to any costs incurred by Consultant as a result of agreements approved by API prior to the effective date of termination under paragraph 5(d) of this Agreement.
- f. Consultant will exercise reasonable care in selecting and recommending suppliers, and make every effort to obtain the lowest price bid for the desired quality of materials or services. Wherever possible, Consultant will obtain competitive bids for API's review. In no event shall Consultant purchase any materials or services from any supplier which is a subsidiary or affiliated company, or which is known to Consultant to be owned or controlled by any Consultant directors or officers, without making full disclosure to API of any such relationship.
- g. If at any time Consultant receives an offer of discounts or rebates from any production or media supplier for work being performed for API, whether based on volume of work given to such supplier by Consultant or otherwise which applies to purchase made by Consultant on behalf of API, Consultant shall communicate such offer to API within a reasonable time.
- Term. This agreement shall be effective on October 23, 2017 and shall terminate on November 30, 2017.
- 7. Subcontract. Except as expressly authorized under this Agreement, it is understood that Consultant has sole right to subcontract production services to vendors of its choosing subject to the prior written approval of API. Consultant shall be responsible for the performance of and payment to its subcontractors. Consultant shall require subcontractors to comply with all terms of this Agreement.

- 8. Conflicts of Interest. During the period of this Agreement, Consultant shall not represent or engage in efforts for any other party or entity on matters or issues that conflict with positions taken by API. Consultant shall immediately notify in writing the API Contract Officer if he becomes aware of an actual or potential conflict. API may terminate this Agreement if it determines in its sole discretion that there is an actual conflict and may require Consultant to take reasonably agreed to actions to address a perceived conflict. Consultant shall not release any information concerning work hereunder to anyone outside API, without prior written approval of API, except for reports required by law. Consultant shall not perform similar work for an entity or individual unless Consultant obtains prior written permission from API approval authority Jocelyn Kelly. This restriction shall remain in effect until the agreement terminates.
- 9. Compliance with Advocacy Laws. Consultant and its officers, directors, employees, and subcontractors agree that they shall comply with and render all services under this Agreement in accordance with all applicable federal, state and local laws and regulations, including without limitation the Federal Election Campaign Act of 1971, as amended; the gift and travel rules of the United States Senate and the United States House of Representatives, as amended; the Standards of Ethical Conduct of Employees of the Executive Branch; the Lobbying Disclosure Act of 1995, as amended; the CAN-SPAM Act; the Children's Privacy Protection Act; and any other applicable lobbying, election campaign finance, gift and travel, ethics, and privacy laws. As Consultant's efforts on API's behalf may extend to action within the meaning of the Lobbying Disclosure Act of 1995, Consultant will, if applicable, register with and report to Congress under the provisions of that Act. At all times, Consultant's and its officers, directors, employees, agents and subcontractors relationships with public officials and candidates for public office will be maintained in such a manner as to avoid any impropriety or appearance of impropriety that may be attributed to API. Consultant agrees to provide training on compliance with all applicable laws and regulations to all officers, directors, employees, agents and subcontractors, if authorized, reasonably anticipated to provide services prior to that person providing services under this Agreement, and that Consultant will provide a copy of any training materials and verification of completion of training to API upon request.
- 10. Compliance. Consultant agrees that it:

(a) will comply with all applicable laws governing bribery and corrupt practices, including but not limited to the U.S. Foreign Corrupt Practices Act;

(b) will not take any action in furtherance of bribery of a government official or employee, or any political party or candidate; and

- (c) will not give or offer anything of value to any government official or employee, or any political party or candidate, for the purpose of:
  - (i) influencing or rewarding any act or decision of such official, employee, party or candidate, either directly, or indirectly through an agent or subcontractor;
  - (ii) inducing such official, employee, party or candidate to violate his or her lawful duty;
  - (iii) inducing such official, employee, party or candidate to influence any government or instrumentality thereof; or
  - (iv) securing any improper advantage for API.

For the purposes of this paragraph, employees of state-owned entities are considered "government officials or employees."

Consultant agrees to notify API immediately if Consultant receives any information indicating a possible violation of the requirements of this paragraph.

Consultant represents that no government official or employee, or any political party or candidate has an ownership interest greater than 5% in Consultant. Consultant further agrees to notify API if, during the term of this Agreement, any government official or employee, or any political party or candidate acquires an ownership interest greater than 5% in Consultant.

Consultant agrees that API may, in its sole discretion, immediately terminate this Agreement if API learns information which it determines, in its sole discretion, to be evidence of a breach by Consultant of any representation set forth in this paragraph, and that API shall not be liable for any damages alleged to be caused by such termination.

Consultant agrees that it shall comply with and render all services under this Agreement in accordance with all other applicable federal, state and local laws and regulations.

- 11. Intellectual Property Ownership. All advertisements, photography, art work, reports, drawings, drafts, data, print materials/mechanicals and other documents or materials developed hereunder (including those created by a subcontractor), and the right to copyright such reports, drawings, drafts, data and other documents, whether in electronic media or hard copy, shall be the sole property of API. Consultant shall include whatever language is necessary in its agreement with any subcontractors to ensure that all work created by the subcontractor under this agreement becomes the intellectual property of API. API may use its proprietary materials in any manner in which API, in its sole discretion, deems fit and proper, including submission to governmental agencies, use in litigation, or use in other proceedings before governmental bodies. Consultant shall receive written approval from API for all advertisements before disclosing them or releasing them to any third party. Consultant will not use any content, information, processes, knowledge or any copyrightable work created under this agreement, the aforementioned items or other material developed therefrom for any other purpose than to satisfy the terms of this agreement, or release the content or findings of the work performed hereunder to parties outside API without prior review and written approval from API, unless they are in the public domain or are otherwise publicly released by API. Consultant agrees to preserve the confidentiality of information furnished hereunder by API. Further, Consultant shall not disclose the existence of this Agreement, its terms, the content or findings of the work performed hereunder to any parties outside API, and shall preserve the confidentiality of information furnished hereunder by API or received on behalf of API.
- 12. Trademarks. If API requests that Consultant create any logos, slogans, trademarks, designs, service marks or other trademarkable items ("Trademarks") under this engagement, both API and Consultant will cooperate in risk assessment to determine whether such Trademarks are available for API's use and do not infringe rights of other parties. API will undertake the necessary legal analysis to ensure that the trademark is available for use. Should API desire to register any Trademarks, API will do so at its own cost and in compliance with all applicable laws.
- 13. Talent Personnel. If Consultant seeks to hire talent that would obligate Consultant to any contractual obligations, such as union or guild agreements including the SAG-AFTRA Commercials Contract governing the hiring and use of performers in commercial materials, Consultant will confer with API before entering into any such contracts and API shall have the right to review such proposed contracts and approve or reject such proposed contracts.

- 14. Indemnification. Consultant and API mutually represent and warrant that none of the material contained in any advertisements or other deliverables will violate or infringe upon the propriety or statutory rights of any person or entity, or constitute an invasion of anyone's right to privacy. In the event either Consultant or API are alleged to have engaged in any conduct which, if true, would constitute negligence or a breach of such warranty, the party alleged to have acted negligently or breached such warranty shall defend, indemnify and hold the other party and their respective officers, directors, members, employees, and agents harmless from any and all claims or causes of actions, including court costs and reasonable attorneys' fees resulting from such conduct. In the event both Consultant and API are alleged to have engaged in any conduct which, if true, would constitute a breach of such warranty, Consultant agrees to defend, indemnify and hold the API, as well as its officers, directors, members, employees, and agents, harmless from any and all claims or causes of actions any and all claims or causes of actions from any and all claims or causes of actions.
- 15. Assignment. Consultant may not assign this agreement without API's prior written consent.
- 16. Termination. Either party may terminate this agreement by giving written notice to the other. Upon receipt of such notice of termination, Consultant shall cease incurring costs on this agreement except with the prior approval of API for such costs which are authorized in writing by API and/or are necessary to close out the agreement. In the event of such termination, API's sole obligation will be to reimburse Consultant for actual costs incurred as of the date of termination and subsequent costs incurred with prior approval of API, including legal, uncancellable commitments to third parties. In no event shall such payment include costs and/or anticipated fees for unperformed work or exceed the maximum amount of the agreement as set forth in paragraph 4. Should Consultant elect to terminate this agreement, Consultant agrees to complete any assignments underway, if API so requests.
- 17. Right to Inspect. API shall have the right at all reasonable times during the course of the agreement, and for a reasonable period following completion of the agreement, to inspect Consultant facilities, including equipment and technical and financial records relating to the work conducted hereunder, for the purpose of insuring conformance with this agreement and with generally accepted good scientific practices, and to verify the accuracy of invoices. Such inspection shall include the right to photocopy records pertaining to work conducted hereunder, excluding individual timesheets.
- Return of Information. Upon termination of this agreement, Consultant shall return to API any information furnished hereunder by API, together with all documents, data or other material developed therefrom.
- 19. Independent Contractor. It is understood that Consultant is acting as an independent contractor in its performance of any and all work hereunder and nothing in this agreement is intended or should be construed to create a partnership, joint venture, or employment relationship. Consultant agrees not to refer to itself as API's agent nor refer to the relationship between the parties as a joint venture or partnership. Consultant shall be responsible for payment of all taxes solely based on Consultant's income as may be applicable under the agreement. API shall be responsible for all other taxes, including, without limitation, taxes on the sale or use of goods and services, value added taxes, and general services taxes, imposed by any government or taxation authority, as a result of Consultant's performance of the services.

- Complete Agreement. This agreement sets forth the entire agreement between the parties and supersedes all prior proposals, understandings or agreements, oral or written, relating thereto.
- Modification. Any change, modification, extension, termination, or waiver of this agreement or any of its provisions must be in writing and signed by the undersigned or their successors.
- 22. **Restrictions on Publicity.** Consultant will not use the trademark or name of the American Petroleum Institute or any abbreviation thereof, in any publicity, advertising, or for other promotional purposes without the prior written approval of API, except as needed to execute its responsibilities under this agreement.
- 23. Choice of Law. The laws of the District of Columbia shall govern this agreement. The parties agree that the only venue for hearing any disputes related to this agreement shall be the District of Columbia.
- 24. Limited Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTYFOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE OR OTHER INDIRECT DAMAGES (INCLUDING, LOST REVENUES OR PROFITS).
- 25. Execution and Counterparts. This agreement may be signed in multiple counterparts that together shall constitute a single agreement. This agreement, including any modifications, waivers, or notifications relating thereto, may be executed and delivered by facsimile, electronic mail, or other electronic means. Any such electronic transmission shall constitute the final agreement of the parties and conclusive proof of such agreement.
- 26. Inconsistencies. In the event of inconsistencies between this agreement and its attachments, the express terms of this agreement shall govern.
- 27. API Tax Exempt Status. API is a nonprofit corporation exempt from United States federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986 as amended. No provision of this Agreement shall obligate API to take any action that is inconsistent with or that could jeopardize its tax-exempt status.
- 28. Insurance Requirements. Consultant shall carry Workers' Compensation insurance and any other insurance required by the jurisdiction in which the work pursuant to this Agreement will be performed. Consultant shall obtain and maintain Comprehensive General Liability Coverage in an amount sufficient to cover all of Consultant's operations and obligations under this Agreement. Consultant shall require any subcontractor to obtain and maintain the same level of insurance as that required by Consultant under this paragraph. Consultant agrees to provide evidence of insurance for itself if requested by API.
- 29. Survival. Paragraphs 7-28 shall survive the termination of this agreement.

If the above terms and conditions are acceptable, please sign below and return an executed copy of this agreement to API.

Something Else Strategies

American Petroleum Institute

Megan B. Bloomgren Vice President, Communications

Date: 10/24/2017 | 4:34 PM EDT

Date: 10/25/2017 | 9:44 AM EDT

# EXHIBIT A

## API INVOICING AND EXPENSE DOCUMENTATION GUIDELINES

Please review these Guidelines carefully. Payment will be delayed for incomplete invoices or unsubstantiated expenses. For questions, contact the API representative named in the Agreement. Sections III and IV also apply to invoices submitted for subcontractor expenses.

#### I. General Invoice Guidelines

- 1. Invoices shall reference API Contract No.: 2017-111637.
- 2. API may request specific activity/expense itemization on the invoice.
- 3. Each invoice shall have a unique invoice number that will not subsequently be reused.
- 4. Invoices shall be in US dollars unless otherwise specified in the Agreement.
- 5. Invoices shall provide a detailed description of the services provided. This includes, but is not limited to, tasks performed, hours worked, goods procured, itemized expenses.
- Invoices shall include a subtotal of professional services, direct costs, and out of pocket expenses, if applicable).
- 7. Invoices are payable within 30 days of API's receipt of a complete and accurate invoice.
- API may withhold up to 15% of the Agreement amount, pending API's acceptance of all deliverables.
- 9. A current W-9 and banking information are required from new vendors; payment is contingent upon receipt of a W-9. International vendors may have additional requirements.

#### II. Submitting Invoices for Payment

1. API uses Anybill, a third party vendor, to receive and route invoices for payment.

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Submit invoices to Anybill using one of the following methods; do not include API staff on communications to Anybill:

#### a. Anybill Email (preferred):

- i. Email submissions are limited to <u>ONE PDF FILE</u> per invoice, which includes all backup documentation, AND cannot exceed 10 MB.
- b. If the above TWO criteria cannot be met, fax or mail the invoice to:
  - i. Anybill Address:
  - ii. Anybill Fax:

#### **III. Required Supporting Documentation**

- 1. Documentation is required for expense reimbursement of \$75 USD or more.
- 2. Documentation must show amount incurred by Vendor; estimates or quotes are insufficient.
- 3. Expenses must be itemized on the invoice, or an attachment to the invoice, such that totals match amounts on supporting documentation.
- Receipts must be legible, oriented upright, and be in the same sequential order as the itemization.
- 5. Meals and entertainment expenses, other than for the Vendor's individual travel, must include the itemized receipt and include an itemization of attendees, their affiliation, title, and the business purpose of the expense. This is required regardless of the amount spent.

[continued on the next page]

Page 9 of 9

#### IV. Out of Pocket Expenses

- 1. Reimbursement of travel expenses is limited to coach class transportation and reasonable and necessary accommodations and meal costs if travel is requested by API.
- 2. Air travel must include the ticketed itinerary stating the fare amount, taxes, fees, etc., as well as class designation.
- If upgrading from coach class, include documentation identifying the coach fare at the time the ticket was purchased, and clearly identify the amount of overage paid by Vendor.
- 4. Reimbursement for vehicle mileage shall be at the prevailing IRS rate.

### -End Exhibit A-