

reasonably satisfactory to CONVERGYS, CBI, CBIS and MATRIXX and all comply with their respective obligations thereunder.

19

(d) CBI and CONVERGYS shall consult with each other and the Underwriters regarding the timing, pricing and other material matters with respect to the IPO.

(e) CONVERGYS shall use its reasonable best efforts to take all such action as may be necessary or appropriate under state securities and blue sky laws of the United States (and any comparable laws under any foreign jurisdictions) in connection with the IPO.

(f) CONVERGYS shall prepare, file and use its reasonable best efforts to seek to make effective an application for listing of the Common Shares issued in the IPO on the New York Stock Exchange, subject to official notice of issuance.

(g) CONVERGYS shall participate in the preparation of materials and presentations as the Underwriters shall deem necessary or desirable.

(h) CONVERGYS shall pay all third party costs, fees and expenses relating to the IPO, all of the reimbursable expenses of the Underwriters pursuant to the Underwriting Agreement, all of the costs of producing, printing, mailing and otherwise distributing the Prospectus, as well as the Underwriters' discount as provided in the Underwriting Agreement.

8.2 CONDITIONS PRECEDENT TO CONSUMMATION OF THE IPO. As soon as practicable after the date of this Agreement, the parties hereto shall use their reasonable best efforts to satisfy the following conditions to the consummation of the IPO. The obligations of the parties to consummate the IPO shall be conditioned on the satisfaction, or waiver by CBI, of the following conditions:

(a) The IPO registration statement shall have been declared effective by the Commission, and there shall be no stop-order in effect with respect thereto.

(b) The actions and filings with regard to state securities and blue sky laws of the United States (and any comparable laws under any foreign jurisdictions) described in Section 8.1 shall have been taken and, where applicable, have become effective or been accepted.

(c) The Common Shares to be issued in the IPO shall have been accepted for listing on the New York Stock Exchange, on official notice of issuance.

20

(d) CONVERGYS, CBI, CBIS and MATRIXX shall have entered into the Underwriting Agreement and all conditions to the obligations of CONVERGYS, CBI, CBIS and MATRIXX and the Underwriters shall have been satisfied or waived.

(e) CBI shall be satisfied in its sole discretion that it will own at least 80.0% of the outstanding CONVERGYS voting stock following the IPO, and

all other conditions to permit the Distribution (to qualify as a tax free distribution to CBI's shareholders) shall, to the extent applicable as of the time of the IPO, be satisfied, and there shall be no event or condition that is likely to cause any of such conditions not to be satisfied as of the time of the Distribution or thereafter.

(f) No order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the IPO or the Distribution or any of the other transactions contemplated by this Agreement or any Ancillary Agreement shall be in effect.

(g) Such other actions as the parties hereto may, based upon the advice of counsel, reasonably request to be taken prior to the Separation in order to assure the successful completion of the IPO and the Distribution and the other transactions contemplated by this Agreement shall have been taken.

(h) This Agreement shall not have been terminated.

(i) A pricing committee of CONVERGYS directors designated by the Board of Directors of CONVERGYS shall have determined that the terms of the IPO are acceptable to CONVERGYS.

ARTICLE 9 THE DISTRIBUTION

9.1 THE DISTRIBUTION.

(a) Subject to the conditions specified in Section 9.3 hereof, on or prior to the Distribution Date, CBI will deliver to an agent designated by its Board of Directors ("the Agent") for the benefit of holders of record of CBI common shares on the Record Date, a single

21

stock certificate, endorsed by CBI in blank, representing all of the outstanding shares of CONVERGYS then owned by CBI, and shall cause the transfer agent for the shares of CBI common shares to instruct the Agent to distribute on the Distribution Date such number of CONVERGYS Common Share to each such holder or designated transferee or transferees of such holder for each CBI common share then held by each such holder or designated transferee or transferees as determined by the CBI Board of Directors.

(b) CONVERGYS and CBI, as the case may be, will provide to the Agent all share certificates and any information required in order to complete the Distribution on the basis specified above.

9.2 ACTIONS PRIOR TO THE DISTRIBUTION.

(a) CBI and CONVERGYS shall prepare and mail, prior to the Distribution Date, to the holders of CBI common shares, such information concerning CONVERGYS, its business, operations and management, the Distribution and such other matters as CBI shall reasonably determine and as may be required by law. CBI and CONVERGYS will prepare, and CONVERGYS will, to the extent required under applicable law, file with the Commission any such documentation and any requisite no-action letters which CBI determines are necessary or desirable to effectuate the Distribution and CBI and CONVERGYS shall each use its reasonable best efforts to obtain all necessary approvals from the Commission with respect thereto as soon as practicable.

(b) CBI and CONVERGYS shall take all such action as may be

necessary or appropriate under the securities or blue sky laws of the United States (and any comparable laws under any foreign jurisdiction) in connection with the Distribution.

(c) CBI and CONVERGYS shall take all reasonable steps necessary and appropriate to cause the conditions set forth in Section 9.3(d) to be satisfied and to effect the Distribution on the Distribution Date.

(d) CONVERGYS shall prepare and file, and shall use its reasonable best efforts to have approved, an application for the listing of the Common Shares to be distributed in the Distribution on the New York Stock Exchange, subject to official notice of distribution.

22

9.3 CONDITIONS TO DISTRIBUTION. Subject to any restrictions contained in the Underwriting Agreement, the CBI Board shall have the sole discretion to determine the date of consummation of the Distribution at any time after the Closing Date and on or prior to the date that is six months after the Closing Date. CBI shall be obligated to consummate the Distribution no later than the date that is six months after the Closing Date, subject to the satisfaction, or waiver by the CBI Board, in its sole discretion, of the conditions set forth below. In the event that any such condition shall not have been satisfied or waived on or before the date that is six months after the Closing Date, CBI shall consummate the Distribution as promptly as practicable following the satisfaction or waiver of all such conditions:

(a) a private letter ruling from the Internal Revenue Service shall have been obtained and shall continue in effect, to the effect that, among other things, the Distribution will qualify as a tax free distribution for federal income tax purposes under Section 355 of the Code and will not result in the recognition of any gain to CBI or CBI's shareholders, and such ruling shall be in form and substance satisfactory to CBI in its sole discretion;

(b) any material governmental approvals and consents necessary to consummate the Distribution shall have been obtained and be in full force and effect;

(c) no order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Distribution shall be in effect and no other event outside the control of CBI shall have occurred or failed to occur that prevents the consummation of the Distribution; and

(d) no other event or developments shall have occurred subsequent to the date hereof that, in the judgment of the Board of Directors of CBI, would result in the Distribution having a material adverse effect on CBI or on the shareholders of CBI.

(e) Each of CBI and CONVERGYS shall have received such consents, and shall have received executed copies of such agreements or amendments of agreements, as they shall deem necessary in connection with the completion of the transactions contemplated by this Agreement or any other agreement or document contemplated by this Agreement or otherwise.

23

(f) All action and other documents and instruments deemed

necessary or advisable in connection with the transactions contemplated hereby shall have been taken or executed, as the case may be, in form and substance satisfactory to CBI and CONVERGYS.

The foregoing conditions are for the sole benefit of CBI and shall not give rise to or create any duty on the part of CBI or the CBI Board of Directors to waive or not waive any such condition.

9.4 FRACTIONAL SHARES. As soon as practicable after the Distribution Date, CBI shall direct the Agent to determine the number of whole shares and fractional shares of Common Shares allocable to each holder of record or beneficial owner of CBI common shares as of the Record Date, to aggregate all such fractional shares and sell the whole shares obtained thereby at the direction of CBI in open market transactions or otherwise, in each case at then prevailing trading prices, and to cause to be distributed to each such holder or for the benefit of each such beneficial owner, in lieu of any fractional share, such holder's or owner's ratable share of the proceeds of such sale, after making appropriate deductions of any amount required to be withheld for federal income tax purposes and after deducting an amount equal to all brokerage charges, commissions and transfer taxes attributed to such sale. CBI and the Agent shall use their reasonable best efforts to aggregate the CBI common shares that may be held by any beneficial owner thereof through more than one account in determining the fractional share allocable to such beneficial owner.

ARTICLE 10
MUTUAL RELEASES; INDEMNIFICATIONS

10.1 RELEASE OF PRE-CLOSING CLAIMS.

(a) Except as provided in Section 10.1(c), effective as of the Closing Date, CONVERGYS does hereby, for itself and each of its Affiliates, successors and assigns, and all persons who at any time prior to the Closing Date have been shareholders, directors, officers, agents or employees of CONVERGYS (in each case, in their respective capacities as such), remise, release and forever discharge each of CBI and its Affiliates, successors and assigns, and all persons who at any time prior to the Closing Date have been shareholders, directors, officers, agents or employees of CBI (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all liabilities

24

whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Closing Date, including in connection with the transactions and all other activities to implement any of the Separation, the IPO and the Distribution.

(b) Except as provided in Section 10.1(c), effective as of the Closing Date, CBI does hereby, for itself and its Affiliates, successors and assigns, and all persons who at any time prior to the Closing Date have been shareholders, directors, officers, agents or employees of CBI (in each case, in their respective capacities as such), remise, release and forever discharge CONVERGYS, and its Affiliates, successors and assigns, and all persons who at any time prior to the Closing Date have been shareholders, directors, officers, agents or employees of CONVERGYS (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or

agreement, by operation of or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Closing Date, including in connection with the transactions and all other activities to implement any of the Separation, the IPO and the Distribution.

(c) Nothing contained in Section 10.1(a) or (b) shall impair any right of any Person to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings that are specified herein or in the Schedules and Exhibits hereto not to terminate as of the Closing Date, in each case in accordance with its terms. Nothing contained in Section 10.1(a) or (b) shall release any Person from:

(i) any liability provided in or resulting from any agreement between CBI and CONVERGYS that is specified herein or the Ancillary Agreements hereto specified as not to terminate as of the Closing Date, or any other liability specified as not to terminate as of the Closing Date;

25

(ii) any liability, contingent or otherwise, assumed, transferred, assigned or allocated to such person;

(iii) any liability that the parties may have with respect to indemnification or contribution pursuant to this Agreement for claims brought against the parties by third persons, which liability shall be governed by this Article 10 and, if applicable, the appropriate provisions of the Ancillary Agreements.

(d) CONVERGYS shall not make any claim or demand, or commence any action asserting any claim or demand, including any claim of contribution or any indemnification, against CBI, or any other Person released pursuant to Section 10.1(a), with respect to any liabilities released pursuant to Section 10.1(a). CBI shall not make any claim or demand, or commence any action asserting any claim or demand, including any claim of contribution or any indemnification, against CONVERGYS or any other Person released pursuant to Section 10.1(b), with respect to any liabilities released pursuant to Section 10.1(b).

(e) It is the intent of each of CBI and CONVERGYS by virtue of the provisions of this Section 10.1 to provide for a full and complete release and discharge of all liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Closing Date, between or among CONVERGYS and its Affiliates on the one hand, and CBI and its Affiliates on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such Persons on or before the Closing Date), except as expressly set forth in Section 10.1(c). At any time, at the request of any other party, each party shall execute and deliver releases reflecting the provisions hereof.

10.2 INDEMNIFICATION BY CONVERGYS. Except as provided in Section 10.4, CONVERGYS shall indemnify, defend and hold harmless CBI, and each of its directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "CBI Indemnitees"), from and against any and all liabilities of the CBI Indemnitees relating to, arising out of or resulting from any of the following items:

26

(a) the failure of CONVERGYS or any other person to pay, perform or otherwise promptly discharge any CONVERGYS Liabilities, whether prior to or after the Closing Date or the date hereof;

(b) the business of CONVERGYS or any CONVERGYS Liabilities;

(c) any breach by CONVERGYS or its Affiliates of this Agreement or any of the Ancillary Agreements; and

(d) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information contained in any IPO Registration Statement or Prospectus.

10.3 INDEMNIFICATION BY CBI. Except as provided in Section 10.4, CBI shall indemnify, defend and hold harmless CONVERGYS, and each of its directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "CONVERGYS Indemnitees"), from and against any and all liabilities of the CONVERGYS Indemnitees relating to, arising out of or resulting from any of the following items:

(a) the failure of CBI or any other person to pay, perform or otherwise promptly discharge any liabilities of CBI other than the CONVERGYS liabilities whether prior to or after the Closing Date or the date hereof;

(b) the business of CBI or any liability of CBI other than the CONVERGYS liabilities;

(c) any breach by CBI or any of its affiliates of this Agreement or any of the Ancillary Agreements; and

(d) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to

27

make the statements therein not misleading, with respect to all information about CBI contained in any IPO Registration Statement or Prospectus.

10.4 INDEMNIFICATION OBLIGATIONS NET OF INSURANCE PROCEEDS AND OTHER AMOUNTS.

(a) The parties intend that any liability subject to indemnification or reimbursement pursuant to this Article 9 will be net of insurance proceeds that actually reduce the amount of the liability. Accordingly, the amount which any party (an "Indemnifying Party") is required to pay to any person entitled to indemnification hereunder (an "Indemnatee") will be reduced by any insurance proceeds theretofore actually recovered by or on behalf of the Indemnatee in reduction of the related liability. If an Indemnatee receives a payment (an "Indemnity Payment") required by this Agreement from an Indemnifying Party in respect of any liability and subsequently receives insurance proceeds, then the Indemnatee will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the insurance proceeds recovery had been received, realized or recovered before the Indemnity Payment was made.

(b) In the case of any Shared Contingent Liability, any insurance proceeds actually received, realized or recovered by any party in respect of the Shared Contingent Liability will be shared among the parties in such manner as may be necessary so that the obligations of the parties for such Shared Contingent Liability, net of such insurance proceeds, will remain in proportion to their respective Shared Percentages, regardless of which party or parties may actually receive, realize or recover such insurance proceeds.

(c) An insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto, it being expressly understood and agreed that no insurer or any other third party shall be entitled to receive a benefit that they would not be entitled to receive in the absence of the indemnification provisions by virtue of the indemnification provisions hereof.

10.5 PROCEDURES FOR INDEMNIFICATION OF THIRD PARTY CLAIMS.

28

(a) If an Indemnatee shall receive notice or otherwise learn of the assertion by any Person other than the parties hereto (a "Third Party Claim") with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnatee pursuant to Section 10.2 or 10.3, or any other Section of this Agreement or any Ancillary Agreement, such Indemnatee shall give such Indemnifying Party written notice thereof within 20 days after becoming aware of such Third Party Claim. If any Person shall receive notice or otherwise learn of the assertion of a Third Party Claim which may reasonably be determined to be a Shared Contingent Liability, such Person (if other than CBI) shall give CBI and any other party to this Agreement written notice thereof within 20 days after becoming aware of such Third Party Claim. Any such notice shall describe the Third Party Claim in reasonable detail. Notwithstanding the foregoing, the failure of any Indemnatee or other Person to give notice as provided in this Section 10.5(a) shall not relieve the related Indemnifying Party of its obligations under this Article 10, except to the extent that such Indemnifying Party is actually prejudiced by such failure to give notice.

(b) If the Indemnatee, the party receiving any notice pursuant to Section 10.5(a) or any other party to this Agreement believes that the Third Party Claim is or may be a Shared Contingent Liability, such Indemnatee or other party may make a request for a determination of such matter to the Contingent Claim Committee (a "Determination Request") at any time following any notice given by the Indemnatee to an Indemnifying Party or given by any other Person to CBI pursuant to Section 10.5(a). CBI may make such a Determination Request at any time. Unless all parties have acknowledged that the applicable Third Party Claim is not a Shared Contingent Liability or unless a determination to such effect has been made in accordance with Section 7.6, CBI shall be entitled (but not obligated) to assume the defense of such Third Party Claim as if it were the Indemnifying Party hereunder. In any such event, CBI shall be entitled to reimbursement of all the costs and expenses of such defense once a final determination or acknowledgement is made as to the status of the Third Party Claim from the applicable party or parties that would have been required to pay such amounts if the status of the Third Party Claim had been determined immediately; provided that, if such Third Party Claim is determined to be a Shared Contingent Liability, such costs and expenses shall be shared as provided in Section 7.4.

29

(c) CBI shall assume the defense of, and may seek to settle or compromise, any Third Party Claim that is a Shared Contingent Liability, and the costs and expenses thereof shall be included in the calculation of the amount of the applicable Shared Contingent Liability in determining the reimbursement obligations of the other parties with respect thereto pursuant to Section 7.4. Any Indemnitee in respect of a Shared Contingent Liability shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but all fees and expenses of such counsel shall be the expense of such Indemnitee.

(d) Other than in the case of a Shared Contingent Liability, an Indemnifying Party may elect to defend (and, unless the Indemnifying Party has specified any reservations or exceptions, to seek to settle or compromise), at such Indemnifying Party's own expense and by such Indemnifying Party's own counsel, any Third Party Claim. Within 30 days after the receipt of notice from an Indemnitee in accordance with Section 10.5(a), the Indemnifying Party shall notify the Indemnitee of its election whether the Indemnifying Party will assume responsibility for defending such Third Party Claim, which election shall specify any reservations or exceptions. After notice from an Indemnifying Party to an Indemnitee of its election to assume the defense of a Third Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnitee except as set forth in the next sentence. In the event that (i) the Third Party Claim is not a Shared Contingent Liability and (ii) the Indemnifying Party has elected to assume the defense of the Third Party Claim but has specified, and continues to assert, any reservations or exceptions in such notice, then, in any such case, the reasonable fees and expenses of one separate counsel for all Indemnitees shall be borne by the Indemnifying Party.

(e) Other than in the case of a Shared Contingent Liability, if an Indemnifying Party elects not to assume responsibility for defending a Third Party Claim, or fails to notify an Indemnitee of its election as provided in Section 10.5(d), such Indemnitee may defend such Third Party Claim at the cost and expense of the Indemnifying Party.

30

(f) Unless the Indemnifying Party has failed to assume the defense of the Third Party Claim in accordance with the terms of this Agreement, no Indemnitee may settle or compromise any Third Party Claim that is not a Shared Contingent Liability without the consent of the Indemnifying Party. No Indemnitee may settle or compromise any Third Party Claim that is a Shared Contingent Liability without the consent of CBI.

(g) In the case of a Third Party Claim that is not a Shared Contingent Liability, no Indemnifying Party shall consent to entry of any judgment or enter into any settlement of the Third Party Claim without the consent of the Indemnitee if the effect thereof is to permit any injunction, declaratory judgment, other order or other nonmonetary relief to be entered, directly or indirectly, against any Indemnitee. In the case of a Third Party Claim that is a Shared Contingent Liability, CBI shall not consent to entry of any judgment or enter into any settlement of the Third Party Claim without the consent of the Indemnitee if the effect thereof is to permit any injunction, declaratory judgment, other order or other non-monetary relief to be entered, directly or indirectly, against any Indemnitee.

10.6 ADDITIONAL MATTERS.

(a) Any claim account of a liability which does not result from a Third Party Claim shall be asserted by written notice given by the Indemnatee to the Indemnifying Party. Such Indemnifying Party shall have a period of 30 days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such 30-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such 30-day period or rejects such claim in whole or in part, such Indemnatee shall be free to pursue such remedies as may be available to such party as contemplated by this Agreement and the Ancillary Agreements.

(b) In the event of payment by or on behalf of any Indemnifying Party to any Indemnatee in connection with any Third Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnatee as to any events or circumstances in respect of which such Indemnatee may have the right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any

31

other person. Such Indemnatee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim; provided, however, that CBI shall be entitled to control the prosecution of any such right, defense or claim in respect of any Shared Contingent Liability.

(c) In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnatee or Indemnifying Party shall so request, the parties shall endeavor to substitute the Indemnifying Party for the named defendant, or, in the case of a Shared Contingent Liability, add the Indemnifying Party as a named defendant if at all possible. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this Section, and, subject to Section 7.4 with respect to Shared Contingent Liabilities, the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions imposed by a court, attorneys' fees, experts' fees and all other external expenses), the costs of any judgment or settlement, and the cost of any interest or penalties relating to any judgment or settlement.

10.7 REMEDIES CUMULATIVE. The remedies provided in this Article 10 shall be cumulative and shall not preclude assertion by an Indemnatee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

ARTICLE 11 CONFIDENTIALITY

11.1 GENERAL.

(a) Subject to Section 11.2, each of CBI and CONVERGYS, on behalf of itself and each member of its respective Group, agrees to hold, and to cause its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence, with at least the same degree of care that applies to CBI's confidential and proprietary information pursuant to policies in effect as of the Closing Date, all Information (as defined herein) concerning each such other Group that is either

in its possession (including information in its possession prior to any of the date hereof, the Closing

32

Date or the Distribution Date) or furnished by any such other Group or its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, any Ancillary Agreement or otherwise, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder or thereunder, except, in each case, to the extent that such Information has been (i) in the public domain through no fault of such party or any member of such Group or any of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such party (or any member of such party's Group) which sources are not themselves bound by a confidentiality obligation), or (iii) independently generated without reference to any proprietary or confidential Information of the other party.

(b) Each party agrees not to release or disclose, or permit to be released or disclosed, any such Information to any other Person, except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of their obligations hereunder with respect to such Information), except in compliance with Section 11.2. Without limiting the foregoing, when any Information is no longer needed for the purposes contemplated by this Agreement or any Ancillary Agreement, each party will promptly after request of the other party either return to the other party all Information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other party that it has destroyed such Information (and such copies thereof and such notes, extracts or summaries based thereon).

11.2 In the event that any party or any member of its Group either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable law or receives any demand under lawful process or from any Governmental Authority to disclose or provide Information of any other party (or any member of any other party's Group) that is subject to the confidentiality provisions hereof, such party shall notify the other party prior to disclosing or providing such Information and shall cooperate at the expense of the requesting party in seeking any reasonable protective arrangements requested by such other party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide Information

33

to the extent required by such law (as so advised by counsel) or by lawful process or such Governmental Authority.

11.3 Information means information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, books, records,

contracts, instruments, surveys, ideas, concepts, know-how, technologies, designs, drawings, blueprints, diagrams, models, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

ARTICLE 12 ARBITRATION; DISPUTE RESOLUTION

12.1 AGREEMENT TO ARBITRATE. Except as otherwise specifically provided in any Ancillary Agreement, the procedures for discussion, negotiation and arbitration set forth in this Article 12 shall apply to all disputes, controversies or claims (whether sounding in contract, tort or otherwise) that may arise out of or relate to, or arise under or in connection with this Agreement or any Ancillary Agreement, or the transactions contemplated hereby or thereby (including all actions taken in furtherance of the transactions contemplated hereby or thereby on or prior to the date hereof), or the commercial or economic relationship of the parties relating hereto or thereto, between or among any member of the CBI Group and the CONVERGYS Group. Each party agrees on behalf of itself and each member of its respective Group that the procedures set forth in this Article 12 shall be the sole and exclusive remedy in connection with any dispute, controversy or claim relating to any of the foregoing matters and irrevocably waives any right to commence any Action in or before any governmental authority, except as expressly provided in Sections 12.7(b) and 12.8 and except to the extent provided under the Arbitration Act in the case of judicial review of arbitration results or awards. Each party on behalf of itself and each member of its respective Group irrevocably waives any right to any trial by jury with respect to any claim, controversy or dispute set forth in the first sentence of this Section 12.1.

34

12.2 ESCALATION.

(a) It is the intent of the parties to use their respective reasonable best efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered hereby that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, any party involved in a dispute, controversy or claim may deliver a notice (an "Escalation Notice") demanding an in person meeting involving representatives of the parties at a senior level of management of the parties (or if the parties agree, of the appropriate strategic business unit or division within such entity). A copy of any such Escalation Notice shall be given to the General Counsel, or like officer or official, of each party involved in the dispute, controversy or claim (which copy shall state that it is an Escalation Notice pursuant to this Agreement). Any agenda, location or procedures for such discussions or negotiations between the parties may be established by the parties from time to time; provided, however, that the parties shall use their reasonable best efforts to meet within 30 days of the Escalation Notice.

(b) The parties may, by mutual consent, retain a mediator to aid the parties in their discussions and negotiations by informally providing advice to the parties. Any opinion expressed by the mediator shall be strictly advisory and shall not be binding on the parties, nor shall any opinion expressed by the mediator be admissible in any arbitration proceedings. The mediator may be

chosen from a list of mediators previously selected by the parties or by other agreement of the parties. Costs of the mediation shall be borne equally by the parties involved in the matter, except that each party shall be responsible for its own expenses. Mediation is not a prerequisite to a demand for arbitration under Section 12.3.

12.3 DEMAND FOR ARBITRATION.

(a) At any time after the first to occur of (i) the date of the meeting actually held pursuant to the applicable Escalation Notice or (ii) 45 days after the delivery of an Escalation Notice (as applicable, the "Arbitration Demand Date"), any party involved in the dispute, controversy or claim (regardless of whether such party delivered the Escalation Notice)

35

may, unless the Applicable Deadline has occurred, make a written demand (the "Arbitration Demand Notice") that the dispute be resolved by binding arbitration, which Arbitration Demand Notice shall be given to the parties to the dispute, controversy or claim in the manner set forth in Section 12.3(b). In the event that any party shall deliver an Arbitration Demand Notice to another party, such other party may itself deliver an Arbitration Demand Notice to such first party with respect to any related dispute, controversy or claim with respect to which the Applicable Deadline has not passed without the requirement of delivering an Escalation Notice. No party may assert that the failure to resolve any matter during any discussions or negotiations, the course of conduct during the discussions or negotiations or the failure to agree on a mutually acceptable time, agenda, location or procedures for the meeting, in each case, as contemplated by Section 12.2, is a prerequisite to a demand for arbitration under Section 12.3.

(b) Except as may be expressly provided in any Ancillary Agreement, any Arbitration Demand Notice may be given until one year and 45 days after the later of the occurrence of the act or event giving rise to the underlying claim or the date on which such act or event was, or should have been, in the exercise of reasonable due diligence, discovered by the party asserting the claim (as applicable and as it may in a particular case be specifically extended by the parties in writing, the "Applicable Deadline"). Any discussions, negotiations or mediations between the parties pursuant to this Agreement or otherwise will not toll the Applicable Deadline unless expressly agreed in writing by the parties. Each of the parties agrees on behalf of itself and each member of its Group that if an Arbitration Demand Notice with respect to a dispute, controversy or claim is not given prior to the expiration of the Applicable Deadline, as between or among the parties and the members of their Groups, such dispute, controversy or claim will be barred. Subject to Sections 12.7(d) and 12.8, upon delivery of an Arbitration Demand Notice pursuant to Section 12.3(a) prior to the Applicable Deadline, the dispute, controversy or claim shall be decided by a sole arbitrator in accordance with the rules set forth in this Article 12.

36

12.4 ARBITRATORS

(a) Within 15 days after a valid Arbitration Demand Notice is given, the parties involved in the dispute, controversy or claim referenced therein shall attempt to select a sole arbitrator satisfactory to all such parties.

(b) In the event that such parties are not able jointly to select a sole arbitrator within such 15-day period, such parties shall each appoint an arbitrator within 30 days after delivery of the Arbitration Demand Notice. If one party appoints an arbitrator within such time period and the other party or parties fail to appoint an arbitrator within such time period, the arbitrator appointed by the one party shall be the sole arbitrator of the matter.

(c) In the event that a sole arbitrator is not selected pursuant to paragraph (a) or (b) above and, instead, two arbitrators are selected pursuant to paragraph (b) above, the two arbitrators will, within 30 days after the appointment of the later of them to be appointed, select an additional arbitrator who shall act as the sole arbitrator of the dispute. After selection of such sole arbitrator, the initial arbitrators shall have no further role with respect to the dispute. In the event that the arbitrators so appointed do not, within 30 days after the appointment of the later of them to be appointed, agree on the selection of the sole arbitrator, any party involved in such dispute may apply to the American Arbitration Association, Cincinnati, Ohio ("AAA"), to select the sole arbitrator, which selection shall be made by such organization within 30 days after such application. Any arbitrator selected pursuant to this paragraph (c) shall be disinterested with respect to any of the parties and the matter and shall be reasonably competent in the applicable subject matter.

(d) The sole arbitrator selected pursuant to paragraph (a), (b) or (c) above will set a time for the hearing of the matter which will commence no later than 90 days after the date of appointment of the sole arbitrator pursuant to paragraph (a), (b) or (c) above and which hearing will be no longer than 30 days (unless in the judgment of the arbitrator the matter is unusually complex and sophisticated and thereby requires a longer time, in which event such hearing shall be no longer than 90 days). The final decision of such arbitrator will be rendered in writing to the parties not later than 60 days after the last hearing date, unless otherwise agreed by the parties in writing.

37

(e) The place of any arbitration hereunder will be Cincinnati, Ohio, unless otherwise agreed by the parties.

12.5 HEARINGS. Within the time period specified in Section 12.4(d), the matter shall be presented to the arbitrator at a hearing by means of written submissions of memoranda and verified witness statements, filed simultaneously, and responses, if necessary in the judgment of the arbitrator or both the parties. If the arbitrator deems it to be essential to a fair resolution of the dispute, live cross-examination or direct examination may be permitted, but is not generally contemplated to be necessary. The arbitrator shall actively manage the arbitration with a view to achieving a just, speedy and cost-effective resolution of the dispute, claim or controversy. The arbitrator may, in his or her discretion, set time and other limits on the presentation of each party's case, its memoranda or other submissions, and refuse to receive any proffered evidence, which the arbitrator, in his or her discretion, finds to be cumulative, unnecessary, irrelevant or of low probative nature. Except as otherwise set forth herein, any arbitration hereunder will be conducted in accordance with the AAA Rules and Regulations then prevailing (except that the arbitration will not be

conducted under the auspices of the AAA and the fee schedule of the AAA will not apply). Except as expressly set forth in Section 12.8(b), the decision of the arbitrator will be final and binding on the parties, and judgment thereon may be had and will be enforceable in any court having jurisdiction over the parties. Arbitration awards will bear interest at an annual rate of the Prime Rate plus 2% per annum. To the extent that the provisions of this Agreement and the prevailing rules of the AAA conflict, the provisions of this Agreement shall govern.

12.6 DISCOVERY AND CERTAIN OTHER MATTERS.

(a) Any party involved in the applicable dispute may request limited document production from the other party or parties of specific and expressly relevant documents, with the reasonable expenses of the producing party incurred in such production paid by the requesting party. Any such discovery (which rights to documents shall be substantially less than document discovery rights prevailing under the Federal Rules of Civil Procedure) shall be conducted expeditiously and shall not cause the hearing provided for in Section 12.5 to be adjourned except upon consent of all parties involved in the applicable dispute or upon an

38

extraordinary showing of cause demonstrating that such adjournment is necessary to permit discovery essential to a party to the proceeding. Depositions, interrogatories or other forms of discovery (other than the document production set forth above) shall not occur except by consent of the parties involved in the applicable dispute. Disputes concerning the scope of document production and enforcement of the document production requests will be determined by written agreement of the parties involved in the applicable dispute or, failing such agreement, will be referred to the arbitrator for resolution. All discovery requests will be subject to the proprietary rights and rights of privilege of the parties, and the arbitrator will adopt procedures to protect such rights and to maintain the confidential treatment of the arbitration proceedings (except as may be required by law). Subject to the foregoing, the arbitrator shall have the power to issue subpoenas to compel the production of documents relevant to the dispute, controversy or claim.

(b) The arbitrator shall have full power and authority to determine issues of arbitrability but shall otherwise be limited to interpreting or construing the applicable provisions of this Agreement or any Ancillary Agreement, and will have no authority or power to limit, expand, alter, amend, modify, revoke or suspend any condition or provision of this Agreement or any Ancillary Agreement; it being understood, however, that the arbitrator will have full authority to implement the provisions of this Agreement or any Ancillary Agreement, and to fashion appropriate remedies for breaches of this Agreement (including interim or permanent injunctive relief); provided that the arbitrator shall not have (i) any authority in excess of the authority a court having jurisdiction over the parties and the controversy or dispute would have absent these arbitration provisions or (ii) any right or power to award punitive or treble damages. It is the intention of the parties that in rendering a decision the arbitrator give effect to the applicable provisions of this Agreement and the Ancillary Agreements and follow applicable law (it being understood and agreed that this sentence shall not give rise to a right of judicial review of the arbitrator's award).

(c) If a party fails or refuses to appear at and participate in an arbitration hearing after due notice, the arbitrator may hear and determine the controversy upon evidence produced by the appearing party.

(d) Arbitration costs will be borne equally by each party involved in the matter, except that each party will be responsible for its own attorney's fees and other costs and expenses, including the costs of witnesses selected by such party.

12.7 CERTAIN ADDITIONAL MATTERS.

(a) Any arbitration award shall be a bare award limited to a holding for or against a party and shall be without findings as to facts, issues or conclusions of law and shall be without a statement of the reasoning on which the award rests, but must be in adequate form so that a judgment of a court may be entered thereupon. Judgment upon any arbitration award hereunder may be entered in any court having jurisdiction thereof.

(b) Prior to the time at which an arbitrator is appointed pursuant to Section 12.4, any party may seek one or more temporary restraining orders in a court of competent jurisdiction if necessary in order to preserve and protect the status quo. Neither the request for, or grant or denial of, any such temporary restraining order shall be deemed a waiver of the obligation to arbitrate as set forth herein and the arbitrator may dissolve, continue or modify any such order. Any such temporary restraining order shall remain in effect until the first to occur of the expiration of the order in accordance with its terms or the dissolution thereof by the arbitrator.

(c) Except as required by law, the parties shall hold, and shall cause their respective officers, directors, employees, agents and other representatives to hold, the existence, content and result of mediation or arbitration in confidence in accordance with the provisions of Article 12 and except as may be required in order to enforce any award. Each of the parties shall request that any mediator or arbitrator comply with such confidentiality requirement.

(d) In the event that at any time the sole arbitrator shall fail to serve as an arbitrator for any reason, the parties shall select a new arbitrator who shall be disinterested as to the parties and the matter in accordance with the procedures set forth herein for the selection of the initial arbitrator. The extent, if any, to which testimony previously given shall be repeated or as to which the replacement arbitrator elects to rely on the stenographic record (if there is one) of such testimony shall be determined by the replacement arbitrator.

12.8 LIMITED COURT ACTIONS.

(a) Notwithstanding anything herein to the contrary, in the event that any party reasonably determines the amount in controversy in any dispute, controversy or claim (or any series of related disputes, controversies or claims) under this Agreement or any Ancillary Agreement is, or is reasonably likely to be, in excess of \$25 million and if such party desires to commence an Action in lieu of complying with the arbitration provisions of this Article, such party shall so state in its Arbitration Demand Notice. If the other parties to the arbitration do not agree that the amount in controversy in such dispute,

controversy or claim (or such series of related disputes, controversies or claims) is, or is reasonably likely to be, in excess of \$25 million, the arbitrator selected pursuant to Section 12.4 hereof shall decide whether the amount in controversy in such dispute, controversy or claim (or such series of related disputes, controversies or claims) is, or is reasonably likely to be, in excess of \$25 million. The arbitrator shall set a date that is no later than ten days after the date of his or her appointment for submissions by the parties with respect to such issue. There shall not be any discovery in connection with such issue. The arbitrator shall render his or her decision on such issue within five days of such date so set by the arbitrator. In the event that the arbitrator determines that the amount in controversy in such dispute, controversy or claim (or such series of related disputes, controversies or claims) is or is reasonably likely to be in excess of \$25 million, the provisions of Sections 12.4(d) and (e), 12.5, 12.6, 12.7 and 12.10 hereof shall not apply and on or before (but, except as expressly set forth in Section 12.8(b), not after) the tenth business day after the date of such decision, any party to the arbitration may elect, in lieu of arbitration, to commence an Action with respect to such dispute, controversy or claim (or such series of related disputes, controversies or claims) in any court of competent jurisdiction. If the arbitrator does not so determine, the provisions of this Article (including with respect to time periods) shall apply as if no determinations were sought or made pursuant to this Section 12.8(a).

(b) In the event that an arbitration award in excess of \$25 million is issued in any arbitration proceeding commenced hereunder, any party may, within 60 days after the date of such award, submit the dispute, controversy or claim (or series of related disputes, controversies or claims) giving rise thereto to a court of competent jurisdiction, regardless of

41

whether such party or any other party sought to commence an Action in lieu of proceeding with arbitration in accordance with Section 12.8(a). In such event, the applicable court may elect to rely on the record developed in the arbitration or, if it determines that it would be advisable in connection with the matter, allow the parties to seek additional discovery or to present additional evidence. Each party shall be entitled to present arguments to the court with respect to whether any such additional discovery or evidence shall be permitted and with respect to all other matters relating to the applicable dispute, controversy or claim (or series of related disputes, controversies or claims).

12.9 CONTINUITY OF SERVICE AND PERFORMANCE. Unless otherwise agreed in writing, the parties will continue to provide service and honor all other commitments under this Agreement and each Ancillary Agreement during the course of dispute resolution pursuant to the provisions of this Article 11 with respect to all matters not subject to such dispute, controversy or claim.

12.10 LAW GOVERNING ARBITRATION PROCEDURES. The interpretation of the provisions of this Article 11, only insofar as they relate to the agreement to arbitrate and any procedures pursuant thereto, shall be governed by the Arbitration Act and other applicable federal law. In all other respects, the interpretation of this Agreement shall be governed by the laws of the State of Ohio.

ARTICLE 13
FURTHER ASSURANCES AND ADDITIONAL COVENANTS

13.1 FURTHER ASSURANCES.

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the parties hereto shall use its reasonable best efforts, prior to, on and after the Closing Date, to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper or advisable under applicable laws, regulations and agreements to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, prior to, on and after the Closing Date, each party hereto shall cooperate with the other parties, and without any further consideration,

42

but at the expense of the requesting party, to execute and deliver, or use its reasonable best efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain all consents, approvals or authorizations of, any governmental authority or any other Person under any permit, license, agreement, indenture or other instrument (including any consents or governmental approvals), and to take all such other actions as such party may reasonably be requested to take by any other party hereto from time to time, consistent with the terms of this Agreement and the Ancillary Agreements, in order to effectuate the provisions and purposes of this Agreement and the Ancillary Agreements and the transfers of the CONVERGYS Assets and the assignment and assumption of the liabilities and the other transactions contemplated hereby and thereby. Without limiting the foregoing, each party will, at the reasonable request, cost and expense of any other party, take such other actions as may be reasonably necessary to vest in such other party good and marketable title, free and clear of any liens and encumbrances, if and to the extent it is practicable to do so.

(c) On or prior to the Closing Date, CBI and CONVERGYS, in their respective capacities as direct and indirect shareholders of their respective subsidiaries, shall each ratify any actions which are reasonably necessary or desirable to be taken by CBI, CONVERGYS or any other subsidiary of CBI or CONVERGYS, as the case may be, to effectuate the transactions contemplated by this Agreement. On or prior to the Closing Date, CBI and CONVERGYS shall take all actions as may be necessary to approve the stock-based employee benefit plans of CONVERGYS in order to satisfy the requirement of Rule 16b-3 under the Exchange Act and Section 162(m) of the Code.

(d) The parties hereto agree to take any reasonable actions necessary in order for the Distribution to qualify as a tax-free distribution pursuant to Section 355 of the Code.

13.2 QUALIFICATION AS TAX-FREE DISTRIBUTION. After the Closing Date, neither CBI nor CONVERGYS shall take, or permit any member of its respective Group to take, any action which could reasonably be expected to prevent the Distribution from qualifying as a tax-free distribution within the meaning of Section 355 of the Code or any other transaction contemplated by this Agreement or any Ancillary Agreement which is intended by the parties to be tax-free

43

from failing so to qualify. Without limiting the foregoing, after the Closing Date and on or prior to the Distribution Date, CONVERGYS shall not issue or grant, and shall not permit any member of the CONVERGYS Group to issue or grant, directly or indirectly, any shares of CONVERGYS Common Shares or any rights, warrants, options or other securities to purchase or acquire (whether upon conversion, exchange or otherwise) any shares of CONVERGYS Common Shares (whether or not then exercisable, convertible or exchangeable) if such issuance or grant would prevent the Distribution from being tax-free under Section 355 of the Code.

ARTICLE 14 TERMINATION

14.1 TERMINATION BY MUTUAL CONSENT. This Agreement may be terminated at any time after the Closing Date and prior to the Distribution Date by the mutual consent of CBI and CONVERGYS.

14.2 OTHER TERMINATION. This Agreement may be terminated by CBI at any time prior to the Closing Date.

14.3 EFFECT OF TERMINATION.

(a) In the event of any termination of this Agreement prior to the Closing Date, no party to this Agreement (or any of its directors or officers) shall have any liability or further obligation to any other party.

(b) In the event of any termination of this Agreement on or after the Closing Date, only the provisions of Article 8 will terminate and the other provisions of this Agreement and each Ancillary Agreement shall remain in full force and effect.

ARTICLE 15 MISCELLANEOUS

15.1 COUNTERPARTS; ENTIRE AGREEMENT; CORPORATE POWER.

(a) This Agreement and each Ancillary Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall

44

become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

(b) This Agreement and the Ancillary Agreements and the Exhibits, Schedules and Appendices hereto and thereto contain the entire agreement between the parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the parties other than those set forth or referred to herein or therein.

15.2 GOVERNING LAW. This Agreement and, unless expressly provided therein, each Ancillary Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Ohio.

15.3 ASSIGNABILITY. Except as set forth in any Ancillary Agreement, this Agreement and each Ancillary Agreement shall be binding upon and inure to

the benefit of the parties hereto and thereto, respectively, and their respective successors and assigns; provided, however, that no party hereto or thereto may assign its respective rights or delegate its respective obligations under this Agreement or any Ancillary Agreement without the express prior written consent of the other parties hereto or thereto.

15.4 THIRD PARTY BENEFICIARIES. Except for the indemnification rights under this Agreement of any CBI Indemnatee or CONVERGYS Indemnatee in their respective capacities as such, (a) the provisions of this Agreement and each Ancillary Agreement are solely for the benefit of the parties and are not intended to confer upon any person except the parties any rights or remedies hereunder, and (b) there are no third party beneficiaries of this Agreement or any Ancillary Agreement, and neither this Agreement nor any Ancillary Agreement shall provide any third person with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement or any Ancillary Agreement. No party hereto shall have any right, remedy or claim with respect to any provision of this Agreement or any Ancillary Agreement to the extent such provision relates solely to the other two parties hereto or the members of such other two parties' respective groups. No party shall be

45

required to deliver any notice under this Agreement or under any Ancillary Agreement to any other party with respect to any matter in which such other party has no right, remedy or claim.

15.5 NOTICES. All notices or other communications under this Agreement or any Ancillary Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person or (b) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to CBI, to: Cincinnati Bell Inc.
201 East Fourth Street
Cincinnati, OH 45202
Attn: President

If to CONVERGYS, to: CONVERGYS CORPORATION
201 East Fourth Street
Cincinnati, OH 45202
Attn: President

Each party may change, at any time, the person or the address to which notices should be sent hereunder by sending notice of such change as provided in this Section 15.5

15.6 SEVERABILITY. If any provision of this Agreement or any Ancillary Agreement or the application thereof to any person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof, or the application of such provision to persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby or thereby, as the case may be, is not affected in any manner adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the parties.

15.7 FORCE MAJEURE. The party shall be deemed in default of this Agreement or any Ancillary Agreement to the extent that any delay or failure in the performance of its obligations under this Agreement or any Ancillary Agreement results from any cause beyond its reasonable control and without its fault or negligence, such as acts of God, acts of civil or military authority,

46

embargoes, epidemics, wars, riots, insurrections, fires, explosions, earthquakes, floods, unusually severe weather conditions, labor problems or unavailability of parts, or, in the case of computer systems, any failure in electrical or air conditioning equipment. In the event of any such excused delay, the time for performance shall be extended for a period equal to the time lost by reason of the delay.

15.8 PUBLICITY. Prior to the Distribution, each of CONVERGYS and CBI shall consult with the other prior to issuing any press releases or otherwise making public statements with respect to the IPO, the Distribution or any of the other transactions contemplated hereby and prior to making any filings with any governmental authority with respect thereto.

15.9 HEADINGS. The article, section and paragraph headings contained in this Agreement and in the Ancillary Agreements are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or any Ancillary Agreement.

15.10 SURVIVAL OF COVENANTS. Except as expressly set forth in any Ancillary Agreement, the covenants, representations and warranties contained in this Agreement and each Ancillary Agreement, and liability for the breach of any obligations contained herein or therein, shall survive each of the Separation, the IPO and the Distribution and shall remain in full force and effect regardless of whether CBI shall consummate, delay, modify or abandon the Distribution.

15.11 WAIVERS OF DEFAULT. Waiver by any party of any default by the other party of any provision of this Agreement or any Ancillary Agreement shall not be deemed a waiver by the waiving party of any subsequent or other default, nor shall it prejudice the rights of the other party.

15.12 SPECIFIC PERFORMANCE. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement or any Ancillary Agreement, the party or parties who are or are to be thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement or such Ancillary Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate

47

compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived.

15.13 AMENDMENTS.

(a) No provisions of this Agreement or any Ancillary Agreement shall be deemed waived, amended, supplemented or modified by any party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

(b) Without limiting the foregoing, the parties anticipate that, prior to the Closing Date, some or all of the Schedules to this Agreement may be amended or supplemented and, in such event, such amended or supplemented Schedules shall be attached hereto in lieu of the original Schedules.

IN WITNESS WHEREOF, the parties have caused this Plan of Reorganization and Distribution Agreement to be executed by their duly authorized representatives on this 20th day of July, 1998.

CINCINNATI BELL INC.

By: /s/ JOHN T. LAMACCHIA

John T. LaMacchia, President
and Chief Executive Officer

CONVERGYS CORPORATION

By: /s/ JAMES F. ORR

James F. Orr, President
and Chief Executive Officer

48

SERVICES AGREEMENT

THIS SERVICES AGREEMENT (the "Agreement"), dated as of July 20, 1998, is by and between Cincinnati Bell Inc., an Ohio corporation ("CBI"), and CONVERGYS Corporation, an Ohio corporation ("CONVERGYS").

RECITALS

WHEREAS, the Board of Directors of CBI has determined that it is in the best interests of CBI and its shareholders to separate CBI's existing businesses into two independent businesses by transferring all of the outstanding shares of Cincinnati Bell Information Systems Inc. ("CBIS") and of MATRIXX Marketing Inc. ("MATRIXX") to CONVERGYS;

WHEREAS, CBI and CONVERGYS recognize that it is advisable for CBI to continue providing certain administrative and other services to CONVERGYS until the Distribution Date (as defined herein) and thereafter for CONVERGYS to provide certain administrative and other services to CBI as provided herein (individually a "Service" and, collectively, the "Services"); and

WHEREAS, this Agreement is entered into pursuant to the Plan of Reorganization and Distribution Agreement, dated as of the date hereof,

between CBI and CONVERGYS ("Plan of Reorganization and Distribution Agreement"). Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to them in the Plan of Reorganization and Distribution Agreement.

NOW, THEREFORE, in consideration of the premises and for other good and valid consideration, the receipt and adequacy of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

ARTICLE 1
SERVICES

1.1 SERVICES. Beginning on the Closing Date (the "Effective Date") and continuing through the Distribution Date, CBI, through its corporate staff, will provide or otherwise make available to CONVERGYS, upon the reasonable request of CONVERGYS, certain general corporate services, including, but not limited to, finance, treasury and accounting, tax, human resource services, food services, transportation services and arrange for administration of insurance and risk management and employee benefit programs. Beginning the next day after the Distribution Date through the date that is six months after the Distribution Date (the "Expiration Date"), CONVERGYS, through its corporate staff, will provide or otherwise make available to CBI, upon the reasonable request of CBI, certain general corporate services, including, but not limited to accounting and audit, finance and treasury, tax, human resource services, food services, transportation services and arrange for administration of insurance and

risk management and employee benefit programs. For purposes of this Agreement, the party receiving the Services is sometimes referred to as the "Receiving Party," and the party providing the Services is sometimes referred to as the "Providing Party." The Services may include the following:

(a) FINANCE, TREASURY AND ACCOUNTING RELATED SERVICES. Provision of general financial advice and services including, without limitation, assistance with respect to matters such as raising of additional capital, cash management and financial controls, inter-company lending, and accounting and internal audit.

(b) TAX RELATED SERVICES. Preparation of Federal tax returns, preparation of state and local tax returns (including income tax returns), tax research and planning and assistance on tax audits (Federal, state and local) in accordance with the terms of the Tax Separation and Allocation Agreement.

(c) HUMAN RESOURCES. Provision of general advice regarding the coordination of employment policies and executive compensation matters.

(d) FOOD SERVICES. Provision of general food services as provided by CBI on the date of this Agreement.

(e) TRANSPORTATION SERVICES. Provision of general transportation services as provided by CBI on the date of this Agreement.

(f) INSURANCE AND EMPLOYEE BENEFIT RELATED SERVICES. Provision of liability, property, casualty, and other normal business insurance coverage and assistance, if required, with respect to arrangement of such insurance coverage. Assistance, if required, with respect to support for product, worker safety and environmental programs. (The Receiving Party acknowledges that principal responsibility for compliance rests with the Receiving Party.) Administration of the Receiving Party's employee participation in employee benefit plans and insurance programs sponsored by the Providing Party in accordance with the Employee Benefits Agreement.

Filing of all required reports under ERISA for employee benefit plans sponsored by CONVERGYS.

(g) ADDITIONAL SERVICES. Services in addition to those enumerated in subsections 1.1(a) through 1.1(g), above, as may be agreed upon by CBI and CONVERGYS from time to time ("Additional Services").

(1) The parties shall create an Exhibit for each Additional Service setting forth a description of the Service, the time period during which the Service will be provided, the charge, if any, for the Service and any other terms applicable thereto. Except as set forth in the paragraph immediately below, the parties may, but shall not be required to, agree on Additional Services during the term of this Agreement.

2

(2) Except as set forth in the next sentence, CBI shall be obligated to perform, at charges established pursuant hereto, any Additional Service that: (A) was provided by CBI immediately prior to the Effective Date and that CONVERGYS reasonably believes was inadvertently or unintentionally omitted from the list of Initial Services or (B) is essential to effectuate an orderly transition under the Plan of Reorganization and Distribution Agreement unless such performance would significantly disrupt CBI's operations or materially increase the scope of its responsibility under this Agreement. If CBI reasonably believes the performance of Additional Services required under subparagraphs (A) or (B) would significantly disrupt its operations or materially increase the scope of its responsibility under this Agreement, CBI and CONVERGYS shall negotiate in good faith to establish terms under which CBI can provide such Additional Services, but CBI shall not be obligated to provide such Additional Services if, following good faith negotiation, it is unable to reach agreement on such terms.

(h) SERVICES PERFORMED BY OTHERS. At its option, Providing Party may cause any Service it is required to provide hereunder to be provided by any other Person that is providing, or may from time to time provide, the same or similar services for Providing Party. Providing Party shall remain responsible, in accordance with the terms of this Agreement, for performance of any Service it causes to be so provided.

1.2 TERM. The initial term of this Agreement shall begin on the Effective Date of this Agreement and continue until the Expiration Date unless terminated earlier as provided herein:

(a) Receiving Party may terminate any or all of the Services, in whole or in part, upon 30 days written notice to Providing Party.

(b) This Agreement may be terminated at any time upon the mutual consent of the parties.

(c) The non-defaulting party may terminate this Agreement if the other party is in material default under this Agreement and fails to correct such default within 30 days after receiving written notice of such default.

1.3 CHARGES AND PAYMENT.

(a) GENERAL. For performing general services of the types described above in Section 1, Providing Party will charge Receiving Party the costs actually incurred or such other charges as the parties may agree. To the extent such direct costs cannot be separately measured, Providing Party shall charge Receiving Party for a portion of the total cost determined according to a method reasonably selected by Providing Party and approved by Receiving Party.

The charges for services above will be determined and payable no less frequently than on a monthly basis. The charges will be due when billed and shall be paid no later than thirty 30 days from the date of billing.

3

(b) CHARGES FOR THIRD-PARTY SERVICES. When services of the type described above in Section 1 are provided, upon the mutual agreement of Providing Party and Receiving Party, by outside providers or, in connection with the provision of such Services out-of-pocket costs are incurred, such as travel, the cost thereof will be paid by Receiving Party. To the extent that Receiving Party is billed by the provider directly, Receiving Party shall pay the bill directly. If Providing Party is billed for such Services, Providing Party may pay the bill and charge Receiving Party the amount of the bill or forward the bill to Receiving Party for payment by Receiving Party.

(c) TAXES. Receiving Party shall pay any sales, use or similar tax, excluding any income tax or taxes levied with respect to gross receipts, payable by Providing Party or Receiving Party with respect to amounts payable under this Agreement.

1.4 GENERAL OBLIGATIONS; STANDARD OF CARE.

(a) TRANSITIONAL NATURE OF SERVICES; CHANGES. The parties acknowledge the transitional nature of the Services and that Providing Party may make changes from time to time in the manner of performing the Services if Providing Party is making similar changes in performing similar services for itself and its Affiliates and if Providing Party furnishes to Receiving Party substantially the same notice that Providing Party shall provide its Affiliates respecting such changes. Notwithstanding the foregoing, between the date hereof and the Expiration Date, Providing Party will not make any material change to Services affecting Receiving Party without first providing thirty (30) days prior written notice and obtaining Receiving Party's prior written consent, which consent shall not be unreasonably withheld or delayed. For purposes of this Agreement, the term "Affiliates" means, with respect to any person, any other person, corporation, partnership, or other entity, directly or indirectly controlling, controlled by or under common control with such person.

(b) GOOD FAITH COOPERATION; CONSENTS. The parties will use good faith efforts to cooperate with each other in all matters relating to the provision and receipt of Services. Such cooperation shall include exchanging information, providing electronic access to systems used in connection with Services, performing true-ups and adjustments and obtaining all consents, licenses, sublicenses or approvals necessary to permit each party to perform its obligations hereunder. The costs of obtaining such consents, licenses, sublicenses or approvals shall be allocated in accordance with Section 1.3(a). The parties will maintain documentation supporting the information contained in the Exhibits and cooperate with each other in making such information available as needed in the event of a tax audit, whether in the United States or any other country.

(c) ALTERNATIVES. If Providing Party reasonably believes it is unable to provide any Service because of a failure to obtain necessary consents, licenses, sublicenses or approvals pursuant to subsection 1.4(b) or because of Impracticability, the parties shall cooperate to determine the best alternative approach. Until such alternative approach is found or the problem otherwise resolved to the satisfaction of the parties, Providing Party shall use reasonable efforts, subject to Section 1.4(g) and Section 1.5(d), to continue providing the Service or, in the

case of systems, to support the function to which the system relates or permit Receiving Party to have access to the system so Receiving Party can support the function itself. To the extent an agreed upon alternative approach requires payment above and beyond that which is included in Providing Party's charge for the Service in question, the parties shall share equally in making any such payment unless they otherwise agree in writing.

(d) IMPRACTICABILITY. Providing Party shall not be required to provide any Service to the extent that the performance of such Service becomes "Impracticable" as a result of a cause or causes outside the reasonable control of Providing Party including unfeasible technological requirements, or to the extent the performance of such Services would require Providing Party to violate any applicable laws, rules or regulations or would result in the breach of any software license or other applicable contract.

(e) RECEIVING PARTY'S DIRECTORS AND OFFICERS. Nothing contained herein will be construed to relieve the directors or officers of Receiving Party from the performance of their respective duties or to limit the exercise of their powers in accordance with the Receiving Party's Articles of Incorporation or Regulations or in accordance with any applicable statute or regulation.

(f) LIABILITIES. In furnishing Receiving Party with management advice and other services as herein provided, neither Providing Party nor any of its officers, directors, employees or agents shall be liable to Receiving Party, its officers, directors, employees or agents, for errors of judgment or for anything except willful malfeasance, bad faith or gross negligence in the performance of their duties or reckless disregard of their obligations and duties under the terms of this Agreement. The provisions of this Agreement are for the sole benefit of Providing Party and Receiving Party and will not, except to the extent otherwise expressly stated herein, inure to the benefits of any third party.

(g) STANDARD OF CARE. Providing Party will use (and will cause its subsidiaries to use) reasonable efforts in providing the scheduled Services to Receiving Party and will perform such Services with the same degree of care, skill and prudence customarily exercised for its own operations; provided, however, that Providing Party shall not be required to devote full time and attention to the performance of its duties under this Agreement, but shall devote only so much of its time and attention as it deems reasonable or necessary to perform the Services required hereunder. To the extent possible, such Services will be substantially identical in nature and quality to the services currently provided or otherwise made available by Providing Party to its wholly owned subsidiaries and their respective operating divisions. Except as provided in an Exhibit for a specific Service, in providing the Services, Providing Party shall not be obligated to: (i) hire any additional employees; (ii) maintain the employment of any specific employee; (iii) purchase, lease or license any additional equipment or software; or (iv) pay any costs related to the transfer or conversion of Receiving Party's data to Providing Party or any alternate supplier of Services. Providing Party has the right to reasonably supplement, modify, substitute or otherwise alter such services from time to time in a manner consistent with supplements, modifications, substitutions or alterations made with respect to similar services provided or otherwise made available by Providing Party to its wholly owned subsidiaries and

their respective operating divisions. In providing such services, Providing Party will not be responsible for the accuracy, completeness or timeliness of

any advice or service or any return, report, filing or other document which it provides, prepares or assists in preparing, except to the extent that any inaccuracy, incompleteness or untimeliness arises from Providing Party's willful malfeasance, bad faith or gross negligence. Providing Party and Receiving Party will cooperate in planning the scope and timing of services provided by Providing Party under this Agreement in order to minimize or eliminate interference with the conduct of Providing Party's business activities. If such interference is unavoidable, Providing Party will apportion, in its sole discretion, the available services in a fair and reasonable manner. Notwithstanding anything set forth in this Section 1.4(g), neither Providing Party nor any of its officers, directors, employees or agents shall have any liability under this Agreement except to the extent provided in Section 1.4(f).

(h) NON-EXCLUSIVITY. Nothing in this Agreement precludes Receiving Party from obtaining the scheduled Services, in whole or in part, from its own employees or from providers other than Providing Party.

1.5 CERTAIN LIMITATIONS: NO SALE, TRANSFER, ASSIGNMENT. Receiving Party may not sell, transfer, assign or otherwise use the Services provided hereunder, in whole or in part, for the benefit of any person other than the Receiving Party Affiliates.

1.6 CONFIDENTIALITY. Providing Party agrees to hold, and to use its best efforts to cause its employees and representatives to hold, in confidence all Confidential Information concerning Receiving Party, furnished to or obtained by Providing Party after the Effective Date in the course of providing the scheduled Services, in a manner consistent with Providing Party's standard policies with respect to the preservation and disclosure of Confidential Information concerning Providing Party and its subsidiaries and operating units. Providing Party's systems used to perform the Services provided hereunder are confidential and proprietary to Providing Party or third parties. Receiving Party shall treat these systems and all related procedures and documentation as confidential and proprietary to Providing Party or its third party vendors.

1.7 DISCLAIMER OF WARRANTIES, LIMITATION OF LIABILITY AND INDEMNIFICATION.

(a) DISCLAIMER OF WARRANTIES. PROVIDING PARTY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES. PROVIDING PARTY MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE QUALITY, SUITABILITY OR ADEQUACY OF THE SERVICES FOR ANY PURPOSE OR USE.

(b) LIMITATION OF LIABILITY; INDEMNIFICATION OF RECEIVING PARTY. Providing Party shall have no Liability to Receiving Party with respect to its furnishing any of the Services hereunder except for Liabilities arising out of the willful malfeasance, bad faith or gross negligence of Providing Party or any Affiliates of Providing Party. Providing Party will

6

indemnify, defend and hold harmless Receiving Party and its officers, directors, employees and agents in respect of all Liabilities related to, arising from, asserted against or associated with such willful misconduct, malfeasance, bad faith or gross negligence. Such indemnification obligation shall be a liability of Providing Party for purposes of the Plan of Reorganization and Distribution Agreement and the provisions with respect to indemnification shall govern with respect thereto. In no event shall Providing Party or any Providing Party Affiliate have any Liability for any incidental, indirect, special or consequential damages, whether or not caused

by or resulting from negligence or breach of obligations hereunder and whether or not informed of the possibility of the existence of such damages. For purposes of this Agreement, the term "Liabilities" means any and all losses, claims, charges, debts, demands, actions, causes of actions, suits, damages, costs and expenses, and similar obligations, including those arising under any law, rule, regulation, action, suit, proceeding (including reasonable attorneys' fees) and any and all costs and expenses related thereto.

(c) LIMITATION OF LIABILITY; INDEMNIFICATION OF PROVIDING PARTY.

Receiving Party shall indemnify and hold harmless Providing Party and its officers, directors, employees and agents in respect of all Liabilities related to, arising from, asserted against or associated with Providing Party's furnishing or failing to furnish the Services provided for in this Agreement, other than Liabilities arising out of the willful malfeasance, bad faith or gross negligence of Providing Party or any Providing Party Affiliate. The provisions of this indemnity shall apply only to losses which relate directly to the provision of Services. Such indemnification obligation shall be a liability of the Receiving Party for purposes of the Plan of Reorganization and Distribution Agreement and the provisions with respect to indemnification shall govern with respect thereto. In no event shall Receiving Party or any Receiving Party Affiliate have any Liability for any incidental, indirect, special or consequential damages, whether or not caused by or resulting from negligence or breach of obligations hereunder and whether or not informed of the possibility of the existence of such damages.

(d) SUBROGATION OF RIGHTS VIS-A-VIS THIRD PARTY CONTRACTORS. In the event any Liability arises from the performance of Services hereunder by a third party contractor, Receiving Party shall be subrogated to such rights, if any, as Providing Party may have against such third party contractor with respect to the Services provided by such third party contractor to or on behalf of Receiving Party.

ARTICLE 2
INSURANCE AND FOUNDATION MATTERS

2.1 CONVERGYS agrees that it will reimburse CBI for its proportionate share of premiums paid or accrued, from the Effective Date until the Distribution Date or such other date to which the parties agree, in respect of insurance policies under which CONVERGYS and its Affiliates will continue to have coverage following the Effective Date hereof. CBI and CONVERGYS agree to cooperate in good faith to provide for an orderly transition of insurance coverage from the Effective Date through the Distribution Date and for the treatment of any insurance policies that will remain in effect following the Effective Date on a mutually agreeable

7

basis. Such efforts shall include, without limitation, cooperation with the insurance companies with respect to the determination and allocation of premiums, fees, assessments and other associated costs, including, but not limited to, the potential attainment of any aggregate maximum liability for policies in place prior to the Distribution Date. To the extent that insurance carriers are able to and agree to separately invoice each party for its proportionate allocation of all premiums, fees, assessments and other associated costs, each party shall fully cooperate with such arrangements. CBI shall fully cooperate with CONVERGYS with respect to disclosing the existence of, and providing certified original copies of, any applicable insurance and claims agreements upon request.

2.2 Each party shall cooperate fully with the other with respect to the administration and reporting of CONVERGYS claims, the payment of CONVERGYS claims determined to be payable, and the transfer to CONVERGYS of

the administration and filing pertaining to any CONVERGYS claims obligations. Nothing contained herein limits or in any way precludes CONVERGYS, by or for itself, CBIS and/or MATRIXX from asserting its rights to coverage under any CBI procured insurance policy that provided coverage to or for CONVERGYS, CBIS and/or MATRIXX and/or any such entities' directors, officers, employees or agents as insured parties prior to the Distribution Date. After the Effective Date, neither CBI nor CONVERGYS shall, without the consent of the other, provide any such insurance carrier with a release, or amend, modify or waive any rights under any such policy or agreement, if such release, amendment, modification or waiver would adversely affect any rights or potential rights of the other hereunder; provided, however, that the foregoing shall not (i) preclude either from presenting any claim or from exhausting any policy limit, (ii) require either to pay any premium or other amount or to incur any liability, or (iii) require either to renew, extend or continue any policy in force. Each of CONVERGYS and CBI will share such information as is reasonably necessary in order to permit the other to manage and conduct its insurance matters in an orderly fashion.

2.3 In the event that any of the insurance policies that CBI maintains expire before the Distribution Date, CBI shall use its reasonable best efforts to renew such policy and to cause the issuing insurance company to issue a separate policy to CONVERGYS. If CBI is not able to cause such insurance company to issue such separate insurance policy, CONVERGYS shall use its reasonable best efforts to procure a separate policy from another insurance company, and CBI shall use its reasonable best efforts to continue to cover CONVERGYS under its renewed policy until the date on which a separate insurance policy is procured. CONVERGYS shall compensate CBI for all costs incurred by CBI to continue such coverage. CBI shall use its reasonable best efforts to maintain the premium rates for all insurance policies for both CBI and CONVERGYS in effect for periods through the Distribution Date. Any premiums due under the separate insurance policies issued to CONVERGYS shall be payable by CONVERGYS. In no event shall CBI or any CBI Indemnitee have any liability or obligation whatsoever to CONVERGYS in the event that any insurance policy or other contract or policy of insurance shall be terminated or otherwise cease to be in effect for any reason, shall be unavailable or inadequate to cover any liability of CONVERGYS for any reason whatsoever or shall not be renewed or extended beyond the current expiration date.

8

2.4 This Agreement shall not be considered as an attempted assignment of any policy of insurance or as a contract of insurance and shall not be construed to waive any right or remedy of either CBI or CONVERGYS in respect of any insurance policy or any other contract or policy of insurance.

2.5 CONVERGYS does hereby, for itself and its Affiliates, agree that CBI or any CBI Indemnitee shall not have any liability whatsoever as a result of the insurance policies and practices of CBI and its Affiliates as in effect at any time prior to the Effective Date, including as a result of the level or scope of any such insurance, the creditworthiness of any insurance carrier, the terms and conditions of any policy, the adequacy or timeliness of any notice to any insurance carrier with respect to any claim or potential claim or otherwise.

2.6 Notwithstanding the foregoing, CBI agrees that, to the extent that CBI is providing indemnification (through insurance or otherwise) to any Covered Individual at any time prior to the Distribution Date for such individual's acts and omissions in any capacity, CBI shall continue to provide such indemnification, for any acts or omissions occurring prior to the Distribution Date, through the last day of the five-year period commencing on the Distribution Date. To the extent that such indemnification is being provided through insurance, any premiums for such insurance payable

after the Distribution Date all be shared equally by CBI and CONVERGYS. For purposes of this Section 2.6, "Covered Individual" means an officer, director or employee of CBI or a CBI Affiliate (and, where appropriate, their spouses, estates, heirs, legal representatives and assigns) (a) who is insured, in any capacity, under CBI's Directors and Officers and Company Reimbursement Policy at any time prior to the Distribution Date and (b) who is an officer, director or employee of CONVERGYS or a CONVERGYS Affiliate on the day immediately following the Distribution Date. The provisions of this Section 2.6 shall survive the termination of this Agreement.

2.7 To the extent that at the Distribution Date the Cincinnati Bell Foundation has assets in excess of its commitments, the parties shall cause the Foundation's trustees to contribute half of such excess to a foundation established by CONVERGYS which qualifies as a charitable entity under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE 3 MISCELLANEOUS

3.1 LAWS AND GOVERNMENTAL REGULATIONS. Receiving Party shall be responsible for (i) compliance with all laws and governmental regulations affecting its business and (ii) any use Receiving Party may make of the Services to assist it in complying with such laws and governmental regulations. While Providing Party shall not have any responsibility for Receiving Party's compliance with the laws and regulations referred to above, Providing Party agrees to use reasonable efforts, subject to subsection 1.5, to cause the Services to be designed in such manner that such Services shall be able to assist Receiving Party in complying with applicable legal and regulatory responsibilities. Providing Party's charge, if any, for such Service

9

may reflect its efforts under this Section 3.1. In no event, however, shall Receiving Party rely solely on its use of the Services in complying with any laws and governmental regulations.

3.2 RELATIONSHIP OF PARTIES. Nothing in this Agreement shall be deemed or construed by the parties or any third party as creating the relationship of principal and agent, partnership or joint venture between the parties, it being understood and agreed that no provision contained herein, and no act of the parties, shall be deemed to create any relationship between the parties other than the relationship of independent contractor nor be deemed to vest any rights, interest or claims in any third parties.

3.3 INDEPENDENCE. All employees and representatives of Providing Party providing the Services to Receiving Party will be deemed for purposes of all compensation and employee benefits to be employees or representatives of Providing Party and not employees or representatives of Receiving Party. In performing such services, such employees and representatives will be under the direction, control and supervision of Providing Party (and not of Receiving Party), and Providing Party will have the sole right to exercise all authority with respect to the employment (including termination of employment), assignment and compensation of such employees and representatives.

3.4 AMENDMENTS; WAIVERS. This Agreement may be amended or modified only in writing executed on behalf of CBI and CONVERGYS. No waiver shall operate to waive any further or future act and no failure to object or forbearance shall operate as a waiver.

3.5 INCONSISTENCY. In the event of any inconsistency between the terms of this Agreement and any of the Exhibits hereto, the terms of this Agreement, other than charges, shall control.

3.6 SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, provided that this Agreement and the rights and obligations contained herein or in any exhibit or schedule hereto shall not be assignable, in whole or in part, without the prior written consent of the parties hereto and any attempt to effect any such assignment without such consent shall be void.

3.7 ARBITRATION. Any dispute, controversy or claim arising out of or in connection with this Agreement (including any questions of fraud or questions concerning the validity and enforceability of this Agreement or any of the rights herein), shall be determined and settled in accordance with Article 11 of the Plan of Reorganization and Distribution Agreement.

3.8 NOTICES. All notices required or permitted to be given under this Agreement shall be in writing and shall be sent by facsimile transmission or mailed by registered or certified mail addressed to the party to whom such notice is required or permitted to be given. All notices shall be deemed to have been given when transmitted if given by facsimile and confirmation of receipt is received or, if mailed, 48 hours after mailed as evidenced by the postmark at the point of mailing.

10

All notices to CBI shall be addressed as follows:

CINCINNATI BELL INC.
201 E. Fourth Street
Seventh Floor
Cincinnati, Ohio 45202
Fax No. 513-397-9900
Attention: President

All notices to CONVERGYS shall be addressed as follows:

CONVERGYS CORPORATION
201 E. Fourth Street
Twentieth Floor
Cincinnati, Ohio 45202
Fax No. 513-397-5364
Attention: President

Either party may, by written notice to the other, as provided herein designate a new address to which notices to the party giving the notice shall thereafter be mailed.

3.9 FORCE MAJEURE. Providing Party shall not be liable for any delay or failure of performance to the extent such delay or failure is caused by circumstances beyond its reasonable control and that by the exercise of due diligence it is unable to prevent, provided that the party claiming excuse use its best efforts to overcome the same.

3.10 ENTIRETY OF AGREEMENT. This Agreement, the Plan of Reorganization and Distribution Agreement and the Ancillary Agreements set forth the entire agreement and understanding of the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any representation other than as expressly stated in this Agreement or by a written amendment to this Agreement, the Plan of Reorganization and Distribution agreement and the Ancillary Agreements signed by authorized representatives of both parties.

3.11 SEVERABILITY. In the event any term of this Agreement is or becomes or is declared to be invalid or void by any court of competent

jurisdiction, such term or [REDACTED] shall be null and void and shall be deemed deleted from this Agreement, and all the remaining terms of the Agreement shall remain in full force and effect.

3.12 GOVERNING LAW. The validity, performance and construction of this Agreement shall be governed by the laws of Ohio.

11

IN WITNESS WHEREOF, the parties have executed this Services Agreement as of the date first above written.

CINCINNATI BELL INC.

By: /s/ JOHN T. LAMACCHIA

John T. LaMacchia, President
and Chief Executive Officer

CONVERGYS CORPORATION

By: /s/ JAMES F. ORR

James F. Orr, President
and Chief Executive Officer

12

TAX SEPARATION AND ALLOCATION AGREEMENT

This Tax Separation and Allocation Agreement (the "Agreement") is made as of July 20, 1998 by and among Cincinnati Bell Inc., an Ohio corporation ("CBI"), and Convergys Corporation, an Ohio corporation ("Convergys") (together with its subsidiaries existing immediately following the Distribution, the "Convergys Group").

WHEREAS, CBI is the common parent of an Affiliated Group of corporations engaged in separate and distinct lines of business, including subsidiaries engaged in the telecommunication business and subsidiaries engaged in information businesses that rely heavily on the latest technological advances.

WHEREAS, CBI has formed Convergys as a holding company and transferred to it all of the subsidiaries that comprise the Convergys Group.

WHEREAS, CBI intends to have Convergys issue slightly less than 20 percent of the shares of Convergys to the public leaving CBI as the owner of more than 80 percent of the shares of Convergys.

WHEREAS, soon after such sale, CBI proposes to distribute to its shareholders all of the shares of Convergys that it owns in a distribution that is intended to be tax-free pursuant to the provisions of Section 355 of the Code.

WHEREAS, CBI and Convergys have entered into a Distribution Agreement (as defined below) providing for the distribution of all of the Convergys stock owned by CBI to its shareholders in accordance with the Distribution Agreement; and

WHEREAS, CBI and Convergys, for themselves and their respective Groups, desire to set forth their agreement regarding the allocation between CBI and the Convergys Group of all responsibilities, liabilities and benefits pertaining to Taxes paid or payable by either of them for all Taxable periods.

NOW, THEREFORE, in consideration of their mutual promises, the parties hereby agree as follows:

1. DEFINITIONS. As used in this Agreement:

- a. "Affiliate" shall mean, with respect to any person, any other person means any person, corporation, partnership or other entity directly or indirectly controlling, controlled by or under common control with such person.
- b. "Affiliated Group" shall mean an affiliated group of corporations within the meaning of Section 1504(a) of the Code for the taxable period in question.
- c. "Carryback or Carryforward Item" shall have the meaning set forth in Section 2d.
- d. "CBI-Caused Taxes" means any liability for Taxes, including interest and penalties, incurred by the CBI Group or the Convergys Group arising from or attributable to any of the transactions that are directly related to the Distribution failing to qualify under Section 355 of the Code, but only if such failure (i) was caused by an act that occurred after the Distribution in which CBI or a member of the CBI Group participated, or (ii) was otherwise attributable to one or more of the representations contained in Section 5b or Section 5c hereof failing to be true as of the date of this Agreement.
- e. "CBI Group" shall mean, with respect to any taxable period, the corporations that were members of the CBI Consolidated Group during such period, exclusive of the corporations that are included in the Convergys Group.
- f. "Code" shall mean the Internal Revenue Code of 1986, as amended.
- g. "Consolidated Group" shall mean those corporations that presently are eligible to file certain tax returns on an affiliated or consolidated basis with CBI as the common parent.
- h. "Consolidated Return" shall mean the consolidated federal income Tax return of CBI including the Convergys Group and all other subsidiaries of CBI for the period commencing January 1, 1998 through and including the Distribution Date.
- i. "Controlled Return" shall mean (a) the Consolidated Return, (b) any Prior Period Consolidated Return and (c) any combined returns with respect to 1998 and all prior years.
- j. "Convergys-Caused Taxes" means any liability for Taxes, including interest and penalties, incurred by the CBI Group or the Convergys Group arising from or attributable to any of the transactions that are directly related to the Distribution failing to qualify under Section 355 of the Code, but only if

such failure (i) was caused by an act that occurred after the Distribution in which Convergys or a member of the Convergys Group participated, or (ii) was otherwise attributable to one or more of the representations contained in Section 5a or Section 5c hereof failing to be true as of the date of this Agreement.

- k. "Convergys Group" shall have the meaning set forth in the first paragraph of this Agreement.
- l. "Convergys Tax Liability" shall mean, with respect to any Consolidated Group in any Taxable Period, the Convergys Group's share of the Tax liability of such Consolidated Group, computed as if the relevant members of the Convergys Group were not and never were part of such Consolidated Group, but rather, were a separate Affiliated Group of corporations filing a similar group Return (provided, however, any transaction with any member of the CBI Group included in such Consolidated Group shall not be taken into account until the first taxable

2

period in which such transaction is required to be taken into account for Tax purposes under applicable law). Such computation shall be made (i) without regard to the income, deductions (including the net operating loss and capital loss deductions) and credits in any year of any member of the CBI Group, except to the extent that a payment was made to any member of the CBI Group with respect thereto, (ii) by taking account of any Tax Asset of the Convergys Group, including net operating loss and capital carryforwards and carrybacks and minimum Tax credits from earlier years of the Convergys Group except to the extent that such losses, carryforwards, carrybacks or credits have been used by any member of the CBI Group, (iii) by applying the maximum applicable statutory Tax rate in effect under applicable law during the relevant year, and (iv) by reflecting the positions, elections and accounting methods used by the Consolidated Group preparing the relevant return for the Consolidated Group.

- m. "Distribution" shall mean the distribution by CBI of all shares of Convergys that are held by CBI to CBI's shareholders pursuant to the Distribution Agreement.
- n. "Distribution Agreement" shall mean the Plan of Reorganization and Distribution Agreement dated _____, 1998 between CBI and Convergys.
- o. "Distribution Date" shall mean the date on which the Distribution shall be effected.
- p. "Final Determination" shall mean the final resolution of liability for any Tax for a taxable period, (i) by the Internal Revenue Service Form 870 or Form 870-AD (or any successor forms thereto), on the date of acceptance by or on behalf of the taxpayer, or by comparable form under the laws of other jurisdictions; except that a Form 870 or Form 870-AD or comparable form that reserves (whether by its terms or by operation of law) the right of the taxpayer to file a claim for refund and/or the right of the taxing authority to assert a further deficiency shall not constitute a Final Determination; (ii) by decision, judgment, decree or other order by a court of competent jurisdiction, which has become final and unappealable; (iii) by a closing agreement or accepted offer in compromise

under Section 7121 or Section 7122 of the Code, or comparable agreements under the laws of other jurisdictions; (iv) by any allowance of a refund or credit in respect of an overpayment of Tax, but only after the expiration of all periods during which such refund may be recovered (including by way of offset) by the Tax imposing jurisdiction; or (v) by any other final disposition, including by reason of the expiration of the applicable statute of limitations or by mutual agreement of the parties.

- q. "Group" shall mean the Convergys Group and/or the CBI Group.
- r. "Indemnitor" shall have the meaning set forth in Section (6) (d) (ii).

3

- s. "Prior Period Consolidated Return" shall mean any consolidated Tax Return of CBI filed, or to be filed, for taxable years prior to the Consolidated Return year.
- t. "Return" shall mean any tax return, statement, report, form, election or claim (including all exhibits and schedules thereto) required to be filed with a Taxing Authority with respect to any Taxes.
- u. "Tax" (and the correlative meaning, "Taxes," "Taxing," "Taxable") shall mean any income, alternative or add-on minimum tax, gross income, gross receipts, sales, use, ad valorem, franchise, profits, license, withholding, payroll, employment, environmental, excise, severance, stamp, transfer, recording occupation, premium, property, value ad, winfall profit tax, custom duty, or other tax of any kind whatsoever, together with any interest and penalty, addition to tax or additional amount imposed by any governmental authority (a "Taxing Authority") responsible for the imposition of any such (domestic or foreign).
- v. "Tax Administrators" shall mean the person designated by CBI as having primary responsibility for tax matters for the CBI Group and the person designated by Convergys as having primary responsibility for tax matters for the Convergys Group, or such other persons as may be mutually agreed upon by CBI and Convergys.
- w. "Tax Asset" shall mean any net operating loss, net capital loss, tax credit, or any other loss, credit, or Tax attribute, which could reduce any Tax.
- x. "Tax Benefit" shall have the meaning set forth in Section 3d.
- y. "Tax CPA" shall mean PricewaterhouseCoopers LLP or a comparable firm of internationally recognized certified public accountants mutually agreed upon by CBI and Convergys.

Any term used in this Agreement that is not defined in this Agreement shall, to the extent the context requires, have the meaning assigned to it in the Code or the applicable Treasury regulations thereunder (as interpreted in administrative pronouncements and judicial decisions) or in comparable provisions of applicable law.

2. ADMINISTRATIVE AND COMPLIANCE MATTERS.

- a. TAX SHARING AGREEMENTS. Except for this Agreement and except as

provided in this Agreement, any and all existing tax allocation agreements or arrangements, written or unwritten, between any member of the CBI Group and any member of the Convergys Group shall terminate upon completion of the Distribution.

b. FILING OF RETURNS.

- i. Consolidated and Prior Period Consolidated Returns. CBI and Convergys will join, and will cause each of their respective subsidiaries to join, in the

4

Consolidated Return to the extent each is eligible to join in such Return under the provisions of the Code or the regulations thereunder. Each of the Groups will prepare separate returns for members of such Groups. The consolidation of those returns will be done under the direction of the Tax Administrators, who will cause the Consolidated Return to be timely prepared and filed. The Tax Administrators shall make the Consolidated Return available to the chief financial officers of CBI and Convergys for their review prior to filing and shall furnish them a copy of the return promptly after it is filed. In addition, prior to filing such Return, the consolidation will be reviewed by the Tax CPA whose costs will be borne equally by CBI and Convergys. For each Taxable period, the Tax liability of each member shall be computed consistent with past practice and in accordance with the terms of the Tax Allocation Agreement among the members of the CBI Affiliated Group that was signed by CBI on October 29, 1987 and by Cincinnati Bell Information Systems Inc. on November 3, 1987.

- ii. RETURN INFORMATION. CBI and Convergys agree that each will cause their respective chief financial officers to furnish to the Tax Administrators on a timely basis such information, schedules, analyses and any other items as may be necessary to prepare the Consolidated Return. Such information, schedules, analyses and other items will be prepared in a manner consistent with existing practice and in accordance with the work plan scheduled to be agreed upon by the Tax Administrators and the chief financial officers of CBI and Convergys, acting reasonably, as soon as practicable after the Distribution Date.
- iii. FILING PROCEDURES. The parties will execute and deliver all documentation reasonably required (including powers of attorney, if requested) to enable the Tax Administrators to timely file, and to take all action necessary or incidental to the filing of, the Consolidated Return or any amendment of the Consolidated Return or any prior period of the Consolidated Return. CBI agrees that an officer of CBI will timely sign the Consolidated Return (and any Prior Period Consolidated Return which has not been filed as of the Distribution Date) and any amendment of the Consolidated Return and any Prior Period Consolidated Return after (a) receiving written confirmation from the Tax Administrators that the Tax Administrators have reviewed such return and consulted with the Tax CPA and that it is in order for filing, (b) such officer has reviewed such Consolidated

Ret. and (c) any reasonable questions raised by such officer in reviewing such return have been resolved satisfactorily.

- iv. COMBINED STATE TAX RETURNS. The Tax Administrators will cause any combined state tax returns with respect to 1998 or any prior Tax year and any amendment of such returns to be timely prepared, filed and paid, utilizing procedures substantially similar to those provided in Section 2

5

and Section 3 of this Agreement with respect to the Consolidated Return and Prior Period Consolidated Returns.

- v. OTHER TAX RETURNS. The parties and their respective subsidiaries shall timely prepare and file Tax Returns (other than Controlled Returns) in those jurisdictions in which they are required to do so in a manner consistent with past practice. Taxes for any Return filed by one of the Companies pursuant to this section shall be paid or caused to be paid by the party responsible under this section for filing such return. The Tax Administrators shall have the right to approve any Tax returns filed pursuant to this section with regard to such filing.

c. TAX PAYMENTS.

- i. INTERIM PAYMENTS. Following the Distribution Date, at the request of the Tax Administrators, Convergys, on behalf of the Convergys Group, shall make payment to CBI equal to the excess of the estimated liability of the Convergys Group for the Tax owing under the Consolidated Return (as reasonably determined by the Tax Administrators and the Tax CPA) over the prior payments made by such Group in respect of such Tax. On or before March 15, 1999, an interim Tax settlement payment shall be made to or by CBI to the Convergys Group, as the case may be, equal to the difference between the estimated liability of the Convergys Group under the Consolidated Return and the amounts previously paid by the Convergys Group with respect to such Return. Such amounts will be reasonably determined by the Tax Administrators and the Tax CPA.
 - ii. ADJUSTING PAYMENT. Based upon computations to be prepared by the effected Group and approved by the Tax Administrators and the Tax CPA, an adjusting payment equal to the difference between amounts previously paid with respect to estimated taxes for the Consolidated Return shall be made by one Group to the other on or before October 15, 1999 based on the Consolidated Return as filed.
- d. CARRYBACKS AND CARRYFORWARDS. If, for any Taxable period, a member of the Convergys Group incurs a net operating loss, net capital loss, unused general business tax credit or unused foreign tax credit (a "Carryback or Carryforward Item"), that may be carried back or carried forward to a Taxable year of the CBI Group or the CBI Affiliated Group, CBI shall pay to Convergys an amount equal to the amount by which the Tax liability of the CBI Group is reduced by such Carryback or

Carryforward Item. Likewise, if, for any Taxable Period, a member of the CBI Group incurs Carryback or Carryforward Item that may be carried back or carried forward to a Taxable year of the CBI Affiliated Group, Convergys shall pay to CBI an amount equal to the amount by which the Tax liability of the Convergys Group is reduced by such Carryback or Carryforward Item.

6

- e. AGENCY. Convergys irrevocably designates the Tax Administrator designated by CBI (and shall cause each member of the Convergys Group to irrevocably designate such Tax Administrator) as its agent and attorney-in-fact (and shall execute any necessary powers of attorney) for the purpose of taking any and all actions necessary or incidental to the filing of Returns for (i) any period during which any member of the Convergys Group or any predecessor qualified to file a consolidated, combined, unitary or similar Return with any member of the CBI Group, and (ii) any period ending on or before the Distribution Date. CBI shall keep Convergys reasonably informed of, and shall reasonably consult with Convergys with respect to, all actions to be taken on behalf of any member of the Convergys Group. CBI and Convergys will each furnish the other any and all information that the other may reasonably request in order to carry out the provisions of this Agreement to determine the amount of any Tax liability.

3. INDEMNITIES.

- a. CBI INDEMNITY. CBI and each member of the CBI Group jointly and severally indemnify Convergys, its shareholders, and the members of the Convergys Group that were members of a Consolidated Group that included such Convergys Affiliate against and hold them harmless from:
- i. Any Tax liability of the CBI Group and any CBI-Caused Tax Liability;
 - ii. Any liability or damage resulting from a breach by CBI or any member of the CBI Group of any representation or covenant made by CBI herein;
 - iii. Any Tax liability resulting from the Distribution and attributable to any action of CBI or any member of the CBI Group; and
 - iv. All liabilities, costs, expenses (including, without limitation, reasonable expenses of investigation and attorneys' fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i), (ii), or (iii), including those incurred in the contest in good faith and appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.
- b. CONVERGYS INDEMNITY. Convergys and each member of the Convergys Group will jointly and severally indemnify CBI, its shareholders, and the members of the CBI Group that were members of a Consolidated Group that included such CBI Affiliate against and hold them harmless from:

- i. Any Convergys Tax Liability and Convergys-Correlated Tax Liability;

7

- ii. Any liability or damage resulting from a breach by Convergys or any member of the CBI Convergys of any representation or covenant made by Convergys herein;
- iii. Any Tax liability resulting from the Distribution and attributable to any action of Convergys or any member of the Convergys Group; and
- iv. All liabilities, costs, expenses (including, without limitation, reasonable expenses of investigation and attorneys' fees and expenses), losses, damages, assessments, settlements or judgments arising out or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i), (ii) or (iii) including those incurred in the contest and good faith and appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

- c. DISCHARGE OF INDEMNITY. CBI, Convergys and the members of the CBI Group and the Convergys Group, respectively, shall discharge their obligations under Sections 3a and 3b, hereof, respectively, by paying the relevant amount within thirty days of demand therefor. The CBI Group shall be entitled to make such a demand at any time after a member of the CBI Group makes a payment or deposit in respect of a Tax for which any member of the Convergys Group has an obligation under Section 3b. The Convergys Group shall be entitled to make such a demand at any time after a Final Determination of an obligation of any member of the CBI Group under Section 3a. Any such demand shall include a statement showing the amount due under Section 3a or Section 3b, as the case may be. If either Convergys, CBI or any member of the Convergys Group or CBI Group disputes in good faith the fact or the amount of its obligation, then no payment of the amount of the dispute shall be required until any such good faith dispute is resolved in accordance with Section 7 hereof; provided, however, that any amount not paid within thirty days of demand shall bear interest as provided in Section 6e.

- d. TAX BENEFITS. If an indemnification obligation of any member of the CBI Group or any member of the Convergys Group, as the case may be, under this Section 3, arises in respect of an adjustment that makes allowable to a member of the CBI Group or a member of the Convergys Group, respectively, any deduction, amortization, exclusion from income or other allowance (a "Tax Benefit") that would not, but for such adjustment, be allowable, then any payment by any member of the CBI Group or Convergys Group, respectively, pursuant to this Section 3 shall be an amount equal to (x) the amount otherwise due but for this subsection 3d, minus (y) the present value of the product of the Tax Benefit multiplied (i) by the maximum applicable federal, foreign or state, as the case may be, corporate tax rate in effect at the time such Tax Benefit becomes allowable to a member of the CBI Group or member of the Convergys Group (as the case may be), or (ii) in the case of a Tax Credit, by 100%. The present value of such product shall be determined by discounting such product from the time

that the Tax Benefit becomes allowable at a rate equal to the applicable federal rate, as set forth from time to time in the Internal Revenue Bulletin.

- e. CALCULATION OF TAX. For purposes of this Section 3, in the case of Taxes that are imposed on a periodic basis and are payable for a Tax period that includes (but does not end on) the Distribution Date, a portion of such Tax related to the portion of such Tax period ending on the Distribution Date shall (i) in the case of any Taxes other than Taxes based upon or related to income, sales, gross receipts, wages, capital expenditures, or expenses, be deemed to be the amount of such Tax for the entire Tax period multiplied by a fraction the numerator of which is the number of days in the Tax period ending on the Distribution Date and the denominator of which is the number of days in the entire Tax period, and (ii) in the case of any Tax based upon or related to income, sales, gross receipts, wages, capital expenditures or expenses, be deemed equal to the amount that would be payable if the relevant Tax period ended on the Distribution Date.
- f. GUARANTEES. CBI or Convergys, as the case may be, shall guarantee the obligations of each member of the CBI Group or the Convergys Group, respectively, under this Agreement.

4. TAX DEFICIENCIES AND CLAIMS.

- a. Except as otherwise provided in Section 4b, the Tax Administrators shall control all audits, examinations and proceedings with respect to Taxes with respect to any Controlled Returns. The Tax Administrators shall have overall responsibility for obtaining and coordinating all responses in connection with any such proceedings with respect to any Controlled Returns. To the extent that any such audit affects one of the Groups, such Group shall prepare and submit such responses in a manner consistent with prior practice, provided, however, that the Tax Administrators shall have the right to approve all such responses prior to their submission. Adjustments affecting solely the Taxable income, loss or deductions of, or Tax credits generated by any Group, may be agreed upon or settled only upon approval of that Group, which approval shall not be unreasonably withheld or delayed.
- b. Any proposed or actual income Tax deficiencies or refund claims, with respect to the Consolidated Return or any Prior Period Consolidated Return that arises from the business activities of a particular member and that do not otherwise affect any Controlled Return, may be defended or prosecuted by that member at its own cost and expense and with counsel and accountants of its own selection. Each of the Tax Administrators may participate in any such prosecution or defense at the expense of the respective company employing the Tax Administrator. A member may not compromise or settle any such tax deficiency or any refund claim without the prior written consent of the Tax Administrators, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, no member shall have a right to an extension of the statute of limitations or to any waiver of any other

procedural safeguard without the prior written consent of the Tax Administrators. The limitation expressed in the preceding sentence applies, but is not limited to, the filing of a petition in the United States Tax Court.

- c. In connection with the defense of any audit of any Controlled Return, except with regard to claims described in Section 4b, above, the Tax Administrators may retain advisors and charge the reasonable cost of their services to the appropriate Group or Groups.
- d. Refunds for any year will be allocated among the members in the same manner as the Tax liability to which the refund relates was allocated. If any member of the Convergys Group desires to file a claim for refund with respect to a Taxable year for which it was a member of the Consolidated Group, it shall prepare and submit to CBI the claim for refund and a statement specifying when the statute of limitations for filing the claim will expire. The appropriate party to file such claim, under the supervision of the Tax Administrators, will file the claim as soon as practicable and will take such other action as may be appropriate. Such member will reimburse CBI for all costs incurred by CBI in complying with this section 4d.

5. REPRESENTATIONS AND COVENANTS.

- a. CONVERGYS REPRESENTATIONS. Convergys, for itself and on behalf of each member of the Convergys Group represents that, as of the date hereof, and covenants that, on the Distribution Date, there is no plan or intention (i) to liquidate Convergys or to merge or consolidate Convergys, or any member of the Convergys Group conducting an active trade or business relied upon in connection with the restructuring or the Distribution, with any other person subsequent to the Distribution, (ii) to sell, or otherwise dispose of any asset, subsequent to the Distribution, in a manner that would result in any increased Tax liability or reduction of any Tax Asset of the CBI Group or any member thereof, (iii) to take any action inconsistent with the information or representations furnished to the Internal Revenue Service or any other Tax Authority in connection with a request for a private letter ruling (or any comparable pronouncement by the Taxing Authority under applicable law) with respect to the Distribution or the restructuring, (iv) to enter into any negotiations, agreements, or arrangements with respect to transactions or events (including stock issuances, pursuant to the exercise of options or otherwise, capital contributions or acquisitions, but not including the Distribution) which, if treated as consummated before the proposed Distribution, would result in CBI not having "control" of Convergys within the meaning of Section 355(a)(1)(A) and Section 368(c) of the Code at the time of the Distribution, (v) to make any change in equity structure that would result in CBI not having such "control" (except for the Distribution), (vi) to repurchase stock of Convergys in a manner contrary to the requirements of Revenue Procedure 96-30 or (vii) to take any action that contravenes any agreement with a Taxing Authority to which any member of the Convergys Group or the CBI Group is a party.

10

- b. CBI REPRESENTATIONS. CBI, for itself and on behalf of each member of the CBI Group, represents that, as of the date hereof, and covenants that, on the Distribution Date, there is no plan

or intention (i) to liquidate CBI or to merge or consolidate CBI, or any member of the CBI Group conducting an active trade or business relied upon in connection with the restructuring or the Distribution, with any other person subsequent to the Distribution, (ii) to sell, or otherwise dispose of any asset, subsequent to the Distribution, in a manner that would result in any increased Tax liability or reduction of any Tax Asset of the Convergys Group or any member thereof, (iii) to take any action inconsistent with the information or representations furnished to the Internal Revenue Service or any other Tax Authority in connection with a request for a private letter ruling (or any comparable pronouncement by the Taxing Authority under applicable law) with respect to the Distribution or the restructuring, or (iv) to take any action that contravenes any agreement with a Taxing Authority to which any member of the Convergys Group or the CBI Group is a party.

- c. CBI AND CONVERGYS REPRESENTATIONS. Each of CBI, Convergys and the members of the CBI Group and the Convergys Group, respectively, represent that, as of the date hereof, and covenants that on the Distribution Date, neither Convergys, CBI nor the members of the Convergys Group or CBI Group, respectively, as applicable, is aware of any present plan or intention by the current shareholders of CBI to sell, exchange, transfer by gift, or otherwise dispose of any of their stock in, or securities of, CBI or Convergys subsequent to the Distribution. In making this representation, the parties hereto recognize that the shares of CBI are, and the shares of Convergys will be, listed on certain stock exchanges and regular public trading of such shares can be expected.

6. COOPERATION.

- a. ONGOING COOPERATION. CBI and Convergys will cooperate, and cause each member and their respective Groups to cooperate, at such time and to the extent reasonably requested by the other party in connection with all matters subject to this Agreement. Such cooperation will include, without limitation:

- i. The retention and provision on reasonable request of any and all information including books, records, documentation or other information pertaining to Tax matters relating to the Groups, any necessary explanations of information, and access to personnel, until one year after the expiration of the applicable statute of limitations (giving effect to any extension, waiver, or mitigation thereof);
- ii. The execution of any document that may be necessary or helpful with any required Return or in connection with any audit, proceeding, suit or action; and

11

- iii. The use of the party's best efforts to obtain any documentation from a governmental authority or a third party that may be necessary or helpful in connection with the foregoing.

- b. INFORMATION. CBI and Convergys shall keep each other fully informed with respect to any material development relating to the matters subject to this Agreement.
- c. TAX ATTRIBUTES. CBI and Convergys shall promptly advise each

other with respect to any proposed Tax adjustment relating to a Consolidated Group that are the subject of an audit or investigation, or are the subject of any proceeding or litigation, and it may affect any Tax liability or any Tax attribution of CBI, Convergys, the CBI Group, the Convergys Group or any member of the CBI Group or the Convergys Group.

d. AUDITS.

- i. HANDLING OF AUDITS. Notwithstanding anything in this Agreement to the contrary, the Tax Administrators shall be kept apprised of all audits. CBI shall have full control over all matters relating to any Return or any Tax proceeding relating to any Tax matters of at least one member of the CBI Group. Convergys shall have full control over all matters relating to any Return or any Tax Proceeding relating to any Tax matters of at least one member of the Convergys Group. In the event that an audit relates to any Tax matters of members from both the CBI Group and the Convergys Group, oversight of such audit will be handled by the Tax Administrators in consultation with the chief financial officers of each of the respective Groups.
- ii. SETTLEMENTS. No settlement of any Tax proceeding relating to any matter that would cause a payment obligation under Sections 3a or 3b shall be accepted or entered into by or on behalf of the party entitled to receive a payment under Section 3a or 3b, whichever is applicable, unless a party ultimately responsible for such payment under either Section 3a or 3b, whichever is applicable (the "Indemnitor"), consents thereto in writing, which consent shall not be unreasonably withheld or delayed.
- iii. NOTICE. The indemnified party agrees to give notice to the Indemnitor of the assertion of any claim, or the commencement of any suit, action or proceeding in respect of which indemnity may be sought hereunder within thirty days of such assertion or commencement, or such other time that would allow the Indemnitor to timely respond to such claim, suit, action or proceeding.
- iv. OTHER ACTIONS. With respect to Returns relating to Taxes solely attributable to the CBI Group or the Convergys Group, as the case may be,

12

CBI and the members of the CBI Group, or Convergys and the members of the Convergys Group, as the case may be, shall have full control over all matters relating to any Tax proceedings in connection therewith.

- e. PAYMENTS. All payments to be made under this Agreement shall be made in immediately available funds. Except as otherwise provided, all payments required to be made pursuant to this Agreement will be due thirty days after the receipt of notice of such payment or, where no notice is required, thirty days after the fixing of liability or the resolution of a dispute. Any payment that is not made when due shall bear interest at a rate equal to the "prime rate" then in effect, as quoted in the Wall Street Journal, plus 2%.

- f. TAX RESERVE. In connection with the Distribution, the Tax Administrators will oversee the allocation of the tax reserves shown on the balance sheet of CBI immediately prior to the Distribution Date among the members of the CBI Group and the Convergys Group in a manner that accurately reflects both the parties to whom the reserves should be allocated and the amount of reserves that should be allocated to each of such parties.
7. DISPUTE RESOLUTION. In the event of a disagreement between the Tax Administrators or between the CBI Group or the Convergys Group, all computations or recomputations of any Tax liability, Tax rate or other similar items, and all determinations of the amount of payments or repayments will be reviewed by the Tax CPA, with the cost of such review being shared equally by the disputing Groups. The decision of the Tax CPA shall be binding on the parties.
8. COSTS AND EXPENSES. Except as expressly set forth in this Agreement, each party will bear its own costs and expenses incurred pursuant to this Agreement. Notwithstanding anything to the contrary in this Agreement, CBI and Convergys will share equally the cost of the Tax CPA connected with reviewing the Consolidated Return.
9. EFFECTIVENESS. This Agreement will become effective upon the consummation of the Distribution. All rights and obligations arising hereunder with respect to a pre-Distribution Tax period will survive until they are fully effectuated or performed and, provided further, notwithstanding anything in this Agreement to the contrary, this Agreement will remain in effect and its provisions will survive for one year after the full period of all applicable statutes of limitation (giving effect any extension, waiver or mitigation thereof) and, with respect to any claim hereunder initiated prior to the end of such period, and until such claim has been satisfied or otherwise resolved.
10. MISCELLANEOUS.
- a. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original, and which together will constitute one and the same instrument.

13

- b. AMENDMENTS. This Agreement may be amended in writing duly executed by all parties hereto.
- c. GOVERNING LAW. This Agreement will be construed and enforced in accordance with the laws of the State of Ohio.
- d. BENEFICIARIES. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, by merger, acquisition of assets or otherwise. This Agreement is not intended to benefit any person other than the parties hereto and such successors and assigns, and no such other person will be a third-party beneficiary hereof.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the 20th day of July, 1998.

CINCINNATI BELL INC.

CONVERGYS CORPORATION

By: /s/ JOHN T. LAMACCHIA

By: /s/ JAMES F. ORR

14

EMPLOYEE BENEFITS AGREEMENT

BETWEEN

CINCINNATI BELL INC.

AND

CONVERGYS CORPORATION

TABLE OF CONTENTS

	Page

ARTICLE I	DEFINITIONS 1
ARTICLE II	GENERAL PRINCIPLES. 2
ARTICLE III	DEFINED BENEFIT PLANS 4
ARTICLE IV	DEFINED CONTRIBUTION PLANS. 6
ARTICLE V	HEALTH AND WELFARE PLANS. 7
ARTICLE VI	EXECUTIVE BENEFITS AND NON-EMPLOYEE DIRECTOR BENEFITS 11
ARTICLE VII	GENERAL AND ADMINISTRATIVE. 14
ARTICLE VIII	MISCELLANEOUS 16

i

EMPLOYEE BENEFITS AGREEMENT

This EMPLOYEE BENEFITS AGREEMENT, dated as of October 14, 1998, is by and between Cincinnati Bell Inc. ("CBI") and Convergys Corporation ("Convergys").

WHEREAS, CBI has determined to distribute to its shareholders all of the Convergys common shares owned by CBI (the "Distribution"); and

WHEREAS, in conjunction with the Distribution, the parties have agreed to enter into an agreement allocating assets, liabilities and responsibilities with respect to certain employee compensation and benefit programs;

NOW, THEREFORE, the parties agree as follows:

ARTICLE I

DEFINITIONS

For purposes of this Agreement the following terms shall have the following meanings:

1.1 AGREEMENT means this Employee Benefits Agreement.

1.2 CBI ENTITY means CBI and any corporation that is, at the relevant time, a direct or indirect subsidiary of CBI, except that, for periods beginning on and after the Distribution Date, the term "CBI Entity" shall not include a Convergys Entity.

1.3 CODE means the Internal Revenue Code of 1986, as amended, or any successor federal income tax law. Reference to a specific Code provision also includes any proposed, temporary, or final regulation in force under that provision.

1.4 CONVERGYS ENTITY means Convergys and any corporation that is, at the relevant time, a direct or indirect subsidiary of Convergys, Cincinnati Bell Information Systems Inc. and its direct and indirect subsidiaries and MATRIX Marketing Inc. and its direct and indirect subsidiaries.

1.5 CONVERGYS INDIVIDUAL means any individual (a) who is either actively employed by or on leave of absence from a Convergys Entity on the Distribution Date; (b) who is transferred from a CBI Entity to a Convergys Entity on the Distribution Date or (c) who retired or separated from a Convergys Entity prior to the Distribution Date and has not been reemployed by a CBI Entity or Convergys Entity since retiring or separating. In addition, CBI and Convergys may designate, by mutual agreement, any other individual or group of individuals as Convergys Individuals.

1.6 DISTRIBUTION DATE means the date on which the Distribution occurs.

1.7 ERISA means the Employee Retirement Income Security Act of 1974, as amended. Reference to a specific provision of ERISA also includes any proposed, temporary, or final regulation in force under that provision.

1.8 IPO DATE means the date on which the initial public offering of Convergys's common shares is closed.

1.9 NON-EMPLOYEE DIRECTOR, when immediately preceded by "CBI," means a member of CBI's Board of Directors who is not an employee of a CBI Entity or a Convergys Entity. When immediately preceded by "Convergys," Non-Employee Director means a member of Convergys's Board of Directors who is not an employee of a CBI Entity or a Convergys Entity.

1.10 PLAN, when immediately preceded by "CBI" or "Convergys," means any plan, policy, program, payroll practice, on-going arrangement, contract, trust, insurance policy or other agreement or funding vehicle providing benefits to employees, former employees or Non-Employee Directors of a CBI Entity or a Convergys Entity, as applicable.

ARTICLE II
GENERAL PRINCIPLES

2.1 ASSUMPTION OF LIABILITIES. Convergys hereby assumes and agrees to pay, perform, fulfill and discharge, in accordance with their respective terms, all of the following (regardless of when or where such liabilities arose or arise or were or are incurred): (i) all liabilities, other than those arising out of or relating to workers' compensation claims, arising out of or relating to Convergys Individuals and their respective dependents and beneficiaries, in each case relating to, arising out of or resulting from

employment by a CBI Entity before becoming Convergys Individuals (including liabilities under CBI Plans and Convergys Plans); (ii) all other liabilities to or relating to Convergys Individuals and other employees or former employees of Convergys Entities, and their dependents and beneficiaries, to the extent relating to, arising out of or resulting from future, present or former employment with a Convergys Entity (including liabilities under CBI Plans and Convergys Plans) and (iii) all other liabilities relating to, arising out of or resulting from obligations, liabilities and responsibilities expressly assumed or retained by a Convergys Entity or a Convergys Plan pursuant to this Agreement.

2.2 CONVERGYS PARTICIPATION IN CBI PLANS.

(a) CBI'S GENERAL OBLIGATIONS AS PLAN SPONSOR. CBI shall continue through the Distribution Date to administer, or cause to be administered, in accordance with their terms and applicable law, the CBI Plans, and shall have the sole discretion and authority to interpret the CBI Plans as set forth therein. Before the Distribution Date, CBI shall not, without the prior consent of Convergys, amend any material feature of any CBI Plan in which a Convergys Entity is a participating company, except to the extent such amendment

2

would not affect any benefits of Convergys Individuals under such Plan or as may be necessary or appropriate to comply with any collective bargaining agreement or applicable law.

(b) CONVERGYS' GENERAL OBLIGATIONS AS PARTICIPATING COMPANY.

Convergys shall perform with respect to its participation in the CBI Plans, and shall cause each other Convergys Entity that is a participating company in any CBI Plan to perform, the duties of a participating company as set forth in such Plans or any procedures adopted pursuant thereto, including: (i) assisting in the administration of claims, to the extent requested by the claims administrator of the applicable CBI Plan; (ii) cooperating fully with CBI Plan auditors, benefit personnel and benefit vendors; (iii) preserving the confidentiality of all financial arrangements CBI has or may have with any vendors, claims administrators, trustees or any other entity or individual with whom CBI has entered into an agreement relating to the CBI Plans; and (iv) preserving the confidentiality of participant health information (including health information in relation to FMLA leaves).

(c) TERMINATION OF PARTICIPATING COMPANY STATUS. Effective as of the Distribution Date, each Convergys Entity shall cease to be a participating company in the CBI Plans.

2.4 CONVERGYS PLANS. The Convergys Plans shall be, with respect to Convergys Individuals who are participating in CBI Plans, in all respects the successors in interest to, and shall not provide benefits that duplicate benefits provided by, the corresponding CBI Plans. CBI and Convergys shall agree on methods and procedures, including amending the respective plan documents, to prevent Convergys Individuals from receiving duplicative benefits from the CBI Plans and the Convergys Plans. With respect to Convergys Individuals, each Convergys Plan shall provide that all service, all compensation and all other benefit-affecting determinations that, as of the Distribution Date, were recognized under the corresponding CBI Plan shall, as of immediately after the Distribution Date, receive full recognition, credit, and validity and be taken into account under such Convergys Plan to the same extent as if such items occurred under such Convergys Plan, except to the extent that duplication of benefits would result. The provisions of this Agreement for the transfer of assets from certain trusts relating to CBI Plans to the corresponding trusts relating to Convergys Plans are based upon the understanding of the parties that each

such Convergys Plan will assume all liabilities of the corresponding CBI Plan to or relating to Convergys Individuals, as provided for herein. If any such liabilities are not effectively assumed by the appropriate Convergys Plan, then the amount of assets transferred to the trust relating to such Convergys Plan from the trust relating to the corresponding CBI Plan shall be recomputed, ab initio, as set forth below but taking into account the retention of such liabilities by such CBI Plan, and assets shall be transferred by the trust relating to such Convergys Plan to the trust relating to such CBI Plan so as to place each such trust in the position it would have been in, had the initial asset transfer been made in accordance with such recomputed amount of assets.

3

2.5 PORTABILITY OF BENEFITS. On or before the Distribution Date, CBI and Convergys may enter into an Interchange Agreement providing for (among other things) the portability of benefits and mutual recognition of service with respect to individuals who terminate employment with a CBI Entity and who become employees of a Convergys Entity during the six month period commencing on the Distribution Date or who terminate employment with a Convergys Entity and who become employees of a CBI Entity during such six month period.

ARTICLE III
DEFINED BENEFIT PLANS

3.1 ESTABLISHMENT OF MIRROR PENSION PLAN. Effective immediately after the Distribution Date, Convergys shall establish a qualified defined benefit pension plan (the "Convergys Pension Plan") for its eligible employees the provisions of which shall mirror the provisions of CBPP and CBMPP.

3.2 ASSUMPTION OF LIABILITIES BY CONVERGYS PENSION PLAN. Immediately after the Distribution Date, all liabilities to or relating to Convergys Individuals under CBPP and CBMPP (collectively, the "CBI Pension Plans"), shall cease to be liabilities of the CBI Pension Plans and shall be assumed by the Convergys Pension Plan.

3.3 CALCULATION OF CBMPP ASSET ALLOCATION.

(a) As soon as practicable after the Distribution Date, CBI shall cause to be calculated, for CBMPP and the Convergys Pension Plan, as of the Distribution Date:

(i) An "Initial Allocation Amount," which shall reflect a 75% probability that CBMPP and the Convergys Pension Plan assets at the end of ten years will each exceed the present value of all projected future benefit payments for each plan, with any difference (positive or negative) between these assets and the present value of projected future benefit payments at the end of ten years for the combined plans allocated between the plans on a proportional basis reflecting the present value of all projected future benefit payments at the end of ten years for each plan.

(ii) The Initial Allocation Amount for CBMPP and the Convergys Pension Plan shall be determined in a manner consistent with CBI's pension funding policy in effect on January 1, 1998, a summary of which is attached hereto.

(b) A "414(1)(1) Amount" for each of CBMPP and the Convergys Pension Plan shall be determined, which shall equal the minimum amount necessary to fully fund benefits under CBMPP and the Convergys Pension Plan on a "termination basis" (as that term is defined in Treas. Reg. Section 1.414(1)-1(b)(5)). The assumptions used in determining the 414(1)(1) Amounts shall be those used in the determination of the minimum required contribution

under ERISA for the Plan Year beginning January 1, 1998, except that the discount rate and mortality assumption shall be determined in accordance with Internal Revenue Code Section 414(1).

4

(c) If the aggregate amount of the assets of CBMPP as of the Distribution Date is not less than the sum of the 414(1)(1) Amounts for CBMPP and the Convergys Pension Plan, then such assets shall be allocated between CBMPP and the Convergys Pension Plan in accordance with the following:

(i) If the Initial Allocation Amount is greater than or equal to the 414(1)(1) Amount for CBMPP, and the Initial Allocation Amount is greater than or equal to the 414(1)(1) Amount for the Convergys Pension Plan, then the amounts of assets allocated to CBMPP and the Convergys Pension Plan shall equal their respective Initial Allocation Amounts.

(ii) If the Initial Allocation Amount is greater than or equal to the 414(1)(1) Amount for CBMPP, but the Initial Allocation Amount is less than the 414(1)(1) Amount for the Convergys Pension Plan, then the amount of assets allocated to the Convergys Pension Plan shall equal the 414(1)(1) Amount for the Convergys Pension Plan, and the amount of assets allocated to CBMPP shall equal the excess of (x) the total amount of assets, as of the Distribution Date, of CBMPP over (y) the 414(1)(1) Amount for the Convergys Pension Plan.

(iii) If the Initial Allocation Amount is less than the 414(1)(1) Amount for the CBMPP, but the Initial Allocation Amount is greater than or equal to the 414(1)(1) Amount for the Convergys Pension Plan, then the amount of assets allocated to CBMPP shall equal the 414(1)(1) Amount for CBMPP, and the amount of assets allocated to the Convergys Pension Plan shall equal the excess of (x) the total amount of assets, as of the Distribution Date, of CBMPP over (y) the 414(1)(1) Amount for CBMPP.

(d) If the aggregate amount of the assets of CBMPP as of the Distribution Date is less than the sum of the 414(1)(1) Amounts for CBMPP and the Convergys Pension Plan, then such assets shall be allocated between CBMPP and the Convergys Pension Plan as follows:

(i) CBI and Convergys shall obtain a quote from a mutually agreeable insurance company for the provision of immediate and deferred annuities payable under CBMPP and the Convergys Pension Plan for all accrued benefits under CBMPP as of the Distribution Date.

(ii) If the aggregate amount of assets of the Distribution Date is not less than the amount of such quote, the amount of assets allocated to CBMPP and the Convergys Pension Plan shall be determined in accordance with Subsection (c) above, except that, in making that determination, the amount of such quote for CBMPP and the Convergys Pension Plan shall be substituted for the 414(1)(1) Amount for each plan.

(iii) If the aggregate amount of assets as of the Distribution Date is less than the amount of such quote, the amount of assets allocated to CBMPP and the Convergys Pension Plan shall be determined on a plan termination basis in accordance with ERISA Section 4044 using the same assumptions as those used in computing the 414(1)(1) Amounts.

5

(e) For purposes of this Section 3.3, references to the "Convergys Pension Plan" shall mean that portion of the Convergys Pension Plan corresponding to CBMPP.

3.4 CALCULATION OF CBI ASSET ALLOCATION. The asset allocation of the CBPP and the Convergys Pension Plan shall be determined by applying Section 3.3 but substituting "CBPP" for "CBMPP" wherever it appears in that Section.

3.5 TRANSFER OF CONVERGYS PENSION PLAN'S INTERESTS FROM THE CBI PENSION TRUST TO THE CONVERGYS PENSION TRUST. The actual segregation of the interests of the Convergys Pension Plan in Cincinnati Bell Pension Plans Trust (the "CBI Pension Trust") into separate trust accounts, and the transfer of the Convergys Pension Plan's allocable share of the assets from the CBI Pension Trust to the trust established in conjunction with the Convergys Pension Plan (the "Convergys Pension Trust"), shall occur as soon as practicable after the calculation of such interests pursuant to Sections 3.3 and 3.4. The assets to be transferred from the CBI Pension Trust to the Convergys Pension Trust shall consist of a pro rata share of each class of assets in the CBI Pension Trust, unless CBI and Convergys agree otherwise.

ARTICLE IV DEFINED CONTRIBUTION PLANS

4.1 RETIREMENT SAVINGS PLANS. Effective as of the Distribution Date, (a) a Convergys Savings Plan designated by Convergys shall assume and be solely responsible for all liabilities relating to each Convergys Individual under any CBI Savings Plan and (b) CBI shall cause the accounts of such Convergys Individual under each CBI Savings Plan to be transferred to the Convergys Savings Plan designated by Convergys and Convergys shall cause such transferred accounts to be accepted by the Convergys Savings Plan. CBI and Convergys shall take such action as may be needed to cause the assets associated with each transferred account to be transferred from the trust established in conjunction with the CBI Savings Plan to the trust established in conjunction with the Convergys Savings Plan. For purposes of this Section 4.1, "CBI Savings Plan" means Cincinnati Bell Inc. Savings and Security Plan and "Convergys Plan" means CBIS Retirement and Savings Plan and MATRIX Marketing Inc. Profit Sharing/401(k) Plan.

4.2 CBI ESOP. The Cincinnati Bell Inc. Employee Stock Ownership Plan (the "CBI ESOP") shall be solely responsible for all liabilities relating to Convergys Individuals under the CBI ESOP. The parties acknowledge that, as a result of the Distribution, the CBI ESOP will, after the Distribution Date, hold both CBI common shares and Convergys common shares and that, in order to continue to qualify as an employee stock ownership plan, the CBI ESOP will be required to dispose of the Convergys common shares and reinvest in CBI common shares. The parties further acknowledge that applicable law generally prohibits such plans from holding securities that are not "qualifying employer securities" within the meaning of Code Section 409 for more than a reasonable time after the Distribution Date unless the Internal Revenue Service ("IRS") grants an extension of time. Accordingly, CBI shall request the IRS to grant an

6

extension of such holding period as its financial advisors shall deem prudent to allow the CBI ESOP to dispose of the Convergys common shares received by it as a result of the Distribution and, to reinvest in CBI common shares, in a manner consistent with the best interests of the ESOP participants. It also is understood that, for purposes of the CBI ESOP, each Convergys Individual will be deemed to have terminated employment on the Distribution Date.

ARTICLE V HEALTH AND WELFARE PLANS

5.1 TRANSFER OF RETIREMENT FUNDING ACCOUNT ASSETS. This Section 5.1 shall apply to the CBI group life insurance contract that has a retirement

funding account (the "CBI RFA") maintained for the purpose of accumulating, through employer contributions in advance of employee retirements, a fund to be used to pay all or a portion of the costs for continuing life insurance protection for employees after their retirement. As soon as practicable after the Distribution Date, there shall be transferred to the retirement funding account of a Convergys Entity group life insurance contract an amount of assets having a fair market value as of the Distribution Date equal to the product obtained by multiplying (a) the present value, as of the Distribution Date, of the future benefit obligation with respect to Convergys Individuals to be discharged from the CBI RFA, divided by the present value of the future benefit obligations with respect to all individuals whose benefits are to be discharged from the CBI RFA assets as of the Distribution Date times (b) the fair market value of all CBI RFA assets as of the Distribution Date. CBI and Convergys shall adopt, and shall use their reasonable best efforts to cause their insurers to adopt, procedures to implement such asset transfers in a reasonable and expeditious manner that is consistent with the underlying group life insurance contracts and applicable legal requirements. Nothing in this Agreement shall be interpreted to provide that any assets so transferred have reverted to CBI or Convergys.

5.2 VENDOR CONTRACTS.

(a) GROUP INSURANCE POLICIES.

(i) This Section 5.2(a) applies to group insurance policies other than the group life insurance contract referred to in Section 5.1 ("Group Insurance Policies").

(ii) To the extent that Convergys Individuals are covered under a CBI Group Insurance Policy in existence as of the date of this Agreement, at the request of Convergys, CBI shall use its reasonable best efforts to amend such Group Insurance Policy to permit Convergys to participate in the terms and conditions of such policy from immediately after the Distribution Date until the expiration of the financial fee and rate guarantees in effect under such Group Insurance Policy as of the Distribution Date.

(iii) Convergys' participation in the terms and conditions of each such Group Insurance Policy shall be effectuated by obligating the insurance company that issued such insurance policy to CBI to issue one or more separate policies to Convergys. Such terms

7

and conditions shall include the financial and termination provisions, performance standards and target claims.

(iv) If CBI is not successful in negotiating policy provisions that will permit compliance with Sections 5.2(a)(ii) and (iii) prior to the Distribution Date, at the request of Convergys, CBI shall use its reasonable best efforts to either continue to cover Convergys under its Group Insurance Policies or procure a separate policy for Convergys until Convergys has procured such separate insurance policy or made other arrangements for replacement coverage, and Convergys shall bear all costs incurred by CBI to continue such coverage.

(b) EFFECT OF CHANGE IN RATES. CBI and Convergys shall use their reasonable best efforts to cause each of the insurance companies, HMOs, point-of-service vendors and third-party administrators providing services and benefits under the CBI Health and Welfare Plans and the Convergys Health and Welfare Plans to maintain the premium and/or administrative rates based on the aggregate number of participants in both the CBI Health and Welfare Plans and the Convergys Health and Welfare Plans through the expiration of

the financial fee or rate guarantees in effect as of the Distribution Date under the respective ASO Contracts, Group Insurance Policies, and HMO Agreements. To the extent they are not successful in such efforts, CBI and Convergys shall each bear the revised premium or administrative rates attributable to the individuals covered by their respective Health and Welfare Plans.

5.3 CBI WORKERS' COMPENSATION PROGRAM.

(a) ADMINISTRATION.

(i) Through the Distribution Date or such earlier date as may be agreed by CBI and Convergys, CBI shall continue to be responsible for the administration of all claims and associated premiums, fees and other costs that (1) are, or have been, incurred under the various arrangements established by any CBI Entity to comply with the workers' compensation regulations of the states where CBI and its affiliates conduct business (the "CBI WCP") before the Distribution Date by Convergys Individuals and other employees and former employees of the Convergys Entities through the Distribution Date ("Convergys WCP Claims") and (2) have been historically administered by CBI or its insurance company.

(ii) Effective immediately after the Distribution Date or such earlier date as may be agreed by CBI and Convergys, (A) Convergys shall, to the extent Legally Permissible (as defined below), be responsible for the administration of all Convergys WCP Claims and associated premiums, fees and other costs, whether those claims were previously administered by CBI or Convergys, and (B) CBI shall be responsible for the administration of all Convergys WCP Claims not administered by Convergys pursuant to clause (A), whether previously administered by CBI or Convergys and whether under the self-insured or insured portion of the CBI WCP. Any determination made, or settlement entered into, by either party or its insurance company with respect to Convergys WCP Claims for which it is administratively responsible shall be final and binding upon the other party.

8

(iii) Each party shall fully cooperate with the other with respect to the administration and reporting of Convergys WCP Claims, the payment of Convergys WCP Claims determined to be payable, and the transfer of the administration of any Convergys WCP Claims to the other party as determined under Section 5.3(a)(ii).

(iv) For purposes of this Section 5.3(a), "Legally Permissible" shall be determined on a state-by-state basis, and shall mean that administration of Convergys WCP Claims by Convergys both (A) is permissible under the applicable state's workers' compensation laws (taking into account all relevant facts, including that Convergys may have a self-insurance certificate in that state) and (B) would not have a material adverse effect on CBI's self-insurance certificate within that state. If it is determined that, in a particular state, it is Legally Permissible for Convergys to administer Convergys WCP Claims, then Convergys shall be responsible for the administration of all Convergys WCP Claims incurred in that state, whether previously administered by CBI, Convergys, or an insurance company. If it is determined that, in a particular state, it is not Legally Permissible for Convergys to administer Convergys WCP Claims, then CBI shall be responsible for the administration of all Convergys WCP Claims incurred in that state, whether previously administered by CBI, Convergys, or an insurance company.

(b) SELF-INSURANCE STATUS.

(i) CBI shall amend its certificates of self-insurance with

respect to workers' compensation and any applicable group insurance policies to include Convergys until the Distribution Date, and Convergys shall fully cooperate with CBI in obtaining such amendments. All costs incurred by CBI in amending such certificates or group insurance policies, including filing fees, adjustments of security and excess loss policies and amendment of safety programs, shall be shared equally by CBI and Convergys. CBI shall use its reasonable best efforts to obtain self-insurance status for workers' compensation for Convergys effective immediately after the Distribution Date in each jurisdiction in which Convergys conducts business and in which CBI is self-insured, if CBI determines that such status is beneficial to Convergys. Convergys hereby authorizes CBI to take all actions necessary and appropriate on its behalf in order to obtain such self-insurance status.

(ii) CBI shall also arrange a contingent insured or other arrangement for payment of workers' compensation claims, into which Convergys shall enter if and to the extent that CBI fails to obtain self-insured status for Convergys as provided in Section 5.3(b)(i), unless Convergys obtains another such arrangement that is effective immediately after the Distribution Date, in which event Convergys shall reimburse CBI for any expenses incurred by CBI in procuring such contingent arrangement.

9

(c) INSURANCE POLICY.

(i) In the event the workers' compensation insurance policy that CBI maintains under the CBI WCP expires before the Distribution Date, CBI shall use its reasonable best efforts to renew such policy and to cause the issuing insurance company to issue a separate policy to Convergys. If CBI is not able to cause such insurance company to issue such separate insurance policy, Convergys shall use its reasonable best efforts to procure a separate policy from another insurance company or to obtain self-insurance status, and CBI shall use its reasonable best efforts to continue to cover Convergys under its renewed policy until the earlier of (A) the date on which Convergys' application for such self-insurance status is approved or (B) the date on which a separate insurance policy is procured. Convergys shall compensate CBI for all costs incurred by CBI to continue such coverage. Any claims incurred by Convergys Individuals after the Distribution Date that will be covered under and during any such continuation of coverage shall be treated as being incurred before the Distribution Date for purposes of determining the party responsible for the administration of benefits.

(ii) CBI shall use its reasonable best efforts to maintain the premium rates for all workers' compensation insurance policies for both CBI and Convergys in effect for periods through the Distribution Date to be based on the aggregate number of employees covered under the workers' compensation insurance policies of both CBI and Convergys. Any premiums due under the separate workers' compensation insurance issued to Convergys shall be payable by Convergys.

5.4 CONTINUANCE OF ELECTIONS, CO-PAYMENTS AND MAXIMUM BENEFITS.

(a) The transfer or other movement of employment from CBI to Convergys at any time before the Distribution Date shall constitute a "status change" under the CBI Health and Welfare Plans or the Convergys Health and Welfare Plans.

(b) Convergys shall cause the Convergys Health and Welfare Plans to recognize and give credit for (i) all amounts applied to deductibles, out-of-pocket maximums, and other applicable benefit coverage limits with respect to which such expenses have been incurred by Convergys Individuals under the CBI Health and Welfare Plans for the remainder of the year in which the Distribution occurs, and (ii) all benefits paid to Convergys Individuals

under the CBI Health and Welfare Plans for purposes of determining when such persons have reached their lifetime maximum benefits under the Convergys Health and Welfare Plans.

(c) Convergys shall provide coverage to Convergys Individuals under the Convergys Group Life Program without the need to undergo a physical examination or otherwise provide evidence of insurability.

10

ARTICLE VI
EXECUTIVE BENEFITS AND NON-EMPLOYEE DIRECTOR BENEFITS

6.1 LONG TERM INCENTIVE PLANS. For purposes of this Agreement, "CBI LTIP" means any of the CBI 1988 Long Term Incentive Plan, the CBI 1989 Stock Option Plan, the CBI 1997 Long Term Incentive Plan, the CBI 1988 Stock Option Plan for Non-Employee Directors and the CBI 1997 Stock Option Plan for Non-Employee Directors and "Convergys LTIP" means the Convergys Corporation 1998 Long Term Incentive Plan.

(a) STOCK OPTIONS. For purposes of this Agreement, "CBI Option" means an option to purchase CBI common shares pursuant to a CBI LTIP and "Convergys Option" means an option to purchase Convergys common shares pursuant to the Convergys LTIP. At the time of the Distribution, each holder of a CBI Option shall receive a Convergys Option to purchase a number of Convergys common shares equal to the number of CBI common shares subject to the CBI Option. Each Convergys Option shall have the same terms and conditions (including vesting) as the CBI Option with respect to which it is granted, except that termination of employment shall mean (i) in the case of a CBI employee or director, termination of employment with CBI and (ii) in the case of a Convergys employee or director, termination of employment with Convergys. Each CBI Option shall be amended to provide that, in the case of a Convergys employee or director, termination of employment shall mean termination of employment with Convergys. The exercise price per share of each CBI Option (the "CBI Exercise Price") shall be reduced, and the exercise price per share of the associated Convergys Option (the "Convergys Exercise Price") shall be set so that (i) the sum of the CBI Exercise Price (after the reduction provided herein) and the Convergys Exercise Price is equal to the CBI Exercise Price (before the reduction provided herein) and (ii) the ratio of the CBI Exercise Price (after the reduction provided herein) to the Convergys Exercise Price is equal to the ratio of the average of the daily high and low per-share prices of CBI common shares on the New York Stock Exchange ("NYSE") during each of the five trading days starting on the ex-dividend date for the Distribution to the average of the daily high and low per-share prices of Convergys common shares on the NYSE during each of the five trading days starting on the ex-dividend date for the Distribution. Notwithstanding the foregoing, in the event that the number of Convergys common shares to be distributed to each CBI shareholder at the time of the Distribution with respect to each CBI common share owned by the shareholder on the record date for the Distribution is greater or less than one, the number of Convergys common shares represented by each Convergys Option and the Convergys Exercise Price shall be adjusted to reflect such difference.

(b) RESTRICTED STOCK. For purposes of this Agreement, "CBI Restricted Stock" means CBI common shares issued subject to restrictions pursuant to a CBI LTIP and "Convergys Restricted Stock" means Convergys common shares issued subject to restrictions pursuant to the Convergys LTIP. At the time of the Distribution, the Convergys common shares distributable to each holder of CBI Restricted Stock shall be issued pursuant to the Convergys LTIP and shall be subject to the same restrictions, terms and conditions (including vesting) as the CBI Restricted Stock with respect to which they are distributed, except that termination of employment shall mean (i) in the case of a CBI employee, termination of employment with CBI

and (ii) in the case of a Convergys employee, termination of employment with Convergys. Each CBI Restricted Stock grant shall be amended to provide that, in the case of a Convergys employee or director, termination of employment shall mean termination of employment with Convergys.

6.5 CBI EXECUTIVE DEFERRED COMPENSATION PLAN. Immediately after the Distribution Date, the accrued benefit of any Convergys Individual in the CBI Executive Deferred Compensation Plan shall be transferred to and assumed by the Convergys Executive Deferred Compensation Plan.

6.6 DEFERRED COMPENSATION PLAN FOR OUTSIDE DIRECTORS. Immediately after the Distribution Date, the accrued benefit of any Convergys Non-Employee Director in the CBI Deferred Compensation Plan for Outside Directors (the "CBI Directors Plan") shall be transferred to and assumed by the Convergys Deferred Compensation Plan for Non-Employee Directors (the "Convergys Directors Plan"). The Convergys Directors Plan shall be, with respect to the Convergys Non-Employee Directors who participated in the CBI Director Plan, in all respects the successor in interest to, and shall not provide benefits that duplicate benefits provided by, the CBI Directors Plan.

6.7 CONSENTS AND NOTIFICATIONS. CBI and Convergys shall use their reasonable best efforts to obtain, or cause to be obtained, to the extent necessary, the written consent of each Convergys Individual and Convergys Director who is a party to an individual agreement and/or a participant in the CBI Executive Deferred Compensation Plan, the CBI Long Term Plan, or the CBI Deferred Compensation Plan for Outside Directors, to the treatment of such individual agreement or plan, as applicable, in accordance with this Article VI, including the assumption by Convergys and the Convergys Entities, of sole responsibility for, and the release of the CBI Entities from, all liabilities thereunder; provided, that no failure to seek or to obtain any such consent shall have any effect upon the obligations of the Convergys Entities with respect to such liabilities.

6.8 NON-COMPETITION AND CONFIDENTIALITY.

(a) NON-COMPETITION AGREEMENTS AND POLICIES. Prior to the Distribution Date, CBI and Convergys shall take such action as may be necessary to ensure that, during the 18-month period commencing on the Distribution Date, (i) employment with a Convergys Entity shall not be deemed to be in violation of any CBI Entity non-competition policy or agreement and (ii) employment with any CBI Entity shall not be deemed to be in violation of any Convergys Entity non-competition policy or agreement.

(b) CONFIDENTIALITY AND PROPRIETARY INFORMATION. No provision of this Agreement shall be deemed to release any individual for any violation of any agreement or policy of a CBI Entity or Convergys Entity pertaining to confidential or proprietary

information of a CBI Entity or Convergys, or otherwise relieve any individual of his or her obligations under such agreement or policy.

6.9 CORPORATE-OWNED LIFE INSURANCE. CBI shall retain all corporate-owned life insurance policies that were purchased by CBI in 1986, including those policies insuring Convergys Individuals. CBI shall continue, liquidate and/or administer such corporate-owned life insurance policies on terms and conditions agreed to by CBI and Convergys. Convergys and CBI shall share all information that may be necessary to identify the individuals insured by the corporate-owned life insurance policies owned by CBI and to

determine when and whether such individuals are deceased.

6.10 MANAGEMENT INCENTIVE COMPENSATION PAYMENTS. Effective as of the Distribution Date, Convergys shall assume all liabilities to Convergys Individuals for bonuses under CBI's 1998 bonus program and all liabilities to Convergys Individuals for performance awards under CBI's Senior Management Long Term Incentive Plan for the three-year performance periods commencing in 1996, 1997 and 1998. CBI and Convergys shall determine (a) the extent to which established performance criteria (after taking into account the effects of the initial public offering of Convergys common shares and the Distribution) have been met and (b) the payment level for each Convergys Individual.

ARTICLE VII GENERAL AND ADMINISTRATIVE

7.1 PAYMENT OF LIABILITIES, PLAN EXPENSES AND RELATED MATTERS.

(a) ACTUARIAL AND ACCOUNTING METHODOLOGIES AND ASSUMPTIONS. For purposes of this Agreement, unless specifically indicated otherwise: (i) all actuarial methodologies and assumptions used for a particular Plan shall (except to the extent otherwise determined by CBI and Convergys to be reasonable or necessary) be substantially the same as those used in the actuarial valuation of that Plan used to determine minimum funding requirements under ERISA Section 302 and Code Section 412 for 1998, or, if such Plan is not subject to such minimum funding requirements, used to determine CBI's deductible contributions under Code Section 419A or, if such Plan is not subject to Code Section 419A, the assumptions used to prepare CBI's audited financial statements for 1997, as the case may be; and (ii) the value of plan assets shall be the value established for purposes of audited financial statements of the relevant plan or trust for the period ending on the date as of which the valuation is to be made. Convergys liabilities relating to, arising out of or resulting from the status of the Convergys Entities as participating companies in CBI and all accruals relating thereto shall be determined using actuarial assumptions and methodologies (including with respect to demographics, medical trends and other relevant factors) in a manner consistent with CBI's practice as in effect on the effective date of this Agreement and in conformance with the generally accepted actuarial principles promulgated by the American Academy of Actuaries, the Code, ERISA, and/or generally accepted accounting principles, as applicable, in each case consistent with past CBI

13

practice. Except as otherwise contemplated by this Agreement or as required by law, all determinations as to the amount or valuation of any assets of or relating to any CBI Plan (whether or not such assets are being transferred to a Convergys Plan) shall be made pursuant to procedures to be established by the parties before the Distribution Date.

(b) PAYMENT OF LIABILITIES; DETERMINATION OF EMPLOYEE STATUS. Convergys shall pay directly, or reimburse CBI promptly for, all liabilities assumed by it pursuant to this Agreement, including all compensation payable to Convergys Individuals for services rendered to a Convergys Entity (i) after the date of this Agreement, (ii) while in the employ of a CBI Entity and (iii) before becoming a Convergys Individual. Determinations of what entity employs or employed a particular individual shall be made by reference to the applicable legal entity and/or other appropriate accounting code, to the extent possible.

7.2 NON-TERMINATION OF EMPLOYMENT; NO THIRD-PARTY BENEFICIARIES. No provision of this Agreement shall be construed to create any right, or accelerate entitlement, to any compensation or benefit whatsoever on the part

of any Convergys Individual or other future, present or former employee of any CBI Entity or Convergys Entity under any CBI Plan or Convergys Plan or otherwise. Without limiting the generality of the foregoing: (i) neither the Distribution nor the termination of the participating company status of a Convergys Entity shall cause any employee to be deemed to have incurred a termination of employment which entitles such individual to the commencement of benefits under any of the CBI Plans (other than the CBI ESOP), any of the Convergys Plans, or any of the Individual Agreements; and (ii) except as expressly provided in this Agreement, nothing in this Agreement shall preclude Convergys, at any time after the Distribution Date, from amending, merging, modifying, terminating, eliminating, reducing, or otherwise altering in any respect any Convergys Plan, any benefit under any Convergys Plan or any trust, insurance policy or funding vehicle related to any Convergys Plan.

7.3 BENEFICIARY DESIGNATIONS. All beneficiary designations made by Convergys Individuals for CBI Plans shall be transferred to and be in full force and effect under the corresponding Convergys Plans until such beneficiary designations are replaced or revoked by the Convergys Individual who made the beneficiary designation.

7.4 REQUESTS FOR IRS RULINGS AND DOL OPINIONS. The parties shall cooperate fully with each other on any issue relating to the transactions contemplated by this Agreement for which either party elects to seek a determination letter or private letter ruling from the IRS or an advisory opinion from the Department of Labor.

7.5 FIDUCIARY STATUS. CBI and Convergys each acknowledges that actions required to be taken pursuant to this Agreement may be subject to fiduciary duties or standards of conduct under ERISA or other applicable law, and no party shall be deemed to be in violation of this Agreement if it fails to comply with any provisions hereof based upon its good faith determination that to do so would violate such a fiduciary duty or standard.

14

7.6 CONSENT OF THIRD PARTIES. If any provision of this Agreement is dependent on the consent of any third party and such consent is withheld, CBI and Convergys shall use their reasonable best efforts to implement the applicable provisions of this Agreement to the full extent practicable. If any provision of this Agreement cannot be implemented due to the failure of such third party to consent, CBI and Convergys shall negotiate in good faith to implement the provision in a mutually satisfactory manner. The phrase "reasonable best efforts" as used herein shall not be construed to require the incurrence of any non-routine or unreasonable expense or liability or the waiver of any right.

ARTICLE VIII MISCELLANEOUS

8.1 EFFECT IF DISTRIBUTION DOES NOT OCCUR. If the Distribution does not occur, then all actions and events that are, under this Agreement, to be taken or occur effective as of the Distribution Date, immediately after the Distribution Date, or otherwise in connection with the Distribution, shall not be taken or occur except to the extent specifically agreed by Convergys and CBI.

8.2 RELATIONSHIP OF PARTIES. Nothing in this Agreement shall be deemed or construed by the parties or any third party as creating the relationship of principal and agent, partnership or joint venture between the parties, it being understood and agreed that no provision contained herein, and no act of the parties, shall be deemed to create any relationship between the parties other than the relationship set forth herein.

8.3 AFFILIATES. Each CBI and Convergys shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement to be performed by a CBI Entity or a Convergys Entity, respectively.

8.4 GOVERNING LAW. To the extent not preempted by applicable federal law, this Agreement shall be governed by, construed and interpreted in accordance with the laws of the State of Ohio, irrespective of the choice of law principles of the State of Ohio, as to all matters, including matters of validity, construction, effect, performance and remedies.

8.5 ARBITRATION. Any dispute, controversy or claim arising out of or in connection with this Agreement (including any questions of fraud or questions concerning the validity and enforceability of this Agreement or any of the rights herein) shall be determined and settled in accordance with Article 11 of the Plan of Reorganization.

15

IN WITNESS WHEREOF, the parties have caused this Employee Benefits Agreement to be duly executed as of the day and year first above written.

CINCINNATI BELL INC.

By: /s/ John T. LaMacchia

John T. LaMacchia, President
and Chief Executive Officer

CONVERGYS CORPORATION

By: /s/ James F. Orr

James F. Orr, President
and Chief Executive Officer

16

SUMMARY OF CBI FUNDING POLICY
METHODOLOGY FOR PENSION BENEFITS

Establishment and periodical evaluation of the CBI funding policy require the determination of current asset and liability values, as well as simulating the financial operation of the pension plans in future years. A financial modeling system described below is used to develop a distribution of outcomes for the financial status of the pension plans in future periods.

Accrued benefit and total projected benefit payment liabilities are actuarially calculated on the basis of existing plan obligations, and future liabilities are calculated by projecting future plan operation and experience, in accordance with reasonable actuarial methods and assumptions, over specified time periods. The determination of the current market value

of plan assets is based upon market quotations of such values and upon professionally determined appraisal values. The determination of the distribution of potential future asset values for the plans is based upon assumed rates of return for each such asset class, as well as the variability of those returns (standard deviation) and the relative relationships across each asset class (correlation coefficient). Once a distribution of possible future asset values has been determined, the funding policy can be evaluated by determining the probability of there being adequate assets to meet pension liabilities in the future periods (e.g., 75% of the possible asset return scenarios in ten years will provide adequate assets to meet the actuarially determined pension liabilities). The expected rate of return for each principal asset class, as well as the mathematical factors used in adjusting each rate of return, are specified below.

The computations based on this Schedule are made using the following assumptions:

- All actuarial assumptions, including assumptions related to accrued liability, are identical to the assumptions to be used in the determination of required minimum contributions under ERISA for the plan year beginning on January 1, 1998.
- Level future eligible employee populations are assumed.
- No future employer contributions are assumed.
- No transfers in or out of the Plan of liabilities or assets are assumed.
- Only employees of companies participating in the plan before January 1, 1998 are taken into account.
- All demographic experience is assumed to occur in accordance with the actuarial assumptions used to determine the minimum required contributions under ERISA for the plan year beginning January 1, 1998.

17

- The Wilshire PENSIM model, incorporating ASA system enhancements, with benefits and present values determined by ASA in accordance with the assumptions and methods specified in this Schedule are used in the application of the CBI funding policy requirements.

ASSET CLASS	EXPECTED RETURN	STAND. DEVIATION
Large Cap Equities	9.50%	14.86%
Small Cap Equities	11.50%	23.01%
CBI Shares	10.50%	26.81%
International Equities	11.00%	18.87%
Renaissance	8.00%	12.00%
Domestic Bonds	6.00%	8.23%
Convertible Bonds	7.50%	12.82%
High-Yield Bonds	7.00%	8.39%
International Bonds	6.00%	12.42%
Real Estate	6.00%	6.93%
Venture Capital	12.00%	24.54%
Cash	5.00%	2.55%

18

CORRELATION COEFFICIENTS

ASSET CLASS	LRG CAP EQUITY	SML CAP EQUITY	CBI SHRS	INTL EQUIT	REN	DMST BOND	CONV BOND	HIGH YIELD BOND	INTL BOND	REAL ESTAT	VENT CAP	CASH
Large Cap Equities	1.00											
Small Cap Equities	0.82	1.00										
CBI Shares	0.40	0.34	1.00									
International Equities	0.46	0.40	0.20	1.00								
Renaissance	0.66	0.56	0.35	0.35	1.00							
Domestic Bonds	0.37	0.24	0.30	0.25	0.59	1.00						
Convertible Bonds	0.88	0.79	0.39	0.44	0.64	0.37	1.00					
High-Yield Bonds	0.50	0.42	0.25	0.28	0.45	0.42	0.48	1.00				
International Bonds	-0.04	-0.08	0.04	0.01	0.11	0.31	-0.04	0.07	1.00			
Real Estate	-0.06	-0.03	0.01	-0.12	-0.09	-0.21	-0.05	-0.14	-0.09	1.00		
Venture Capital	0.75	0.68	0.31	0.37	0.51	0.24	0.72	0.39	-0.06	-0.04	1.00	
Cash	-0.04	-0.03	0.07	-0.11	0.02	-0.03	-0.02	-0.09	-0.02	0.68	-0.04	1.00

CINCINNATI BELL INC.

DEFERRED COMPENSATION PLAN FOR OUTSIDE DIRECTORS

(As amended and restated effective February 1, 1999)

SECTION 1

NAME OF PLAN; PREDECESSOR PLAN

1.1 NAME. The plan set forth herein shall be known as the Cincinnati Bell Inc. Deferred Compensation Plan for Outside Directors (the "Plan").

1.2 PREDECESSOR PLAN. The Plan is intended to amend and supersede the Cincinnati Bell Inc. Deferred Compensation Plan for Non-Employee Directors (the "Predecessor Plan") effective December 31, 1996.

SECTION 2

GENERAL DEFINITIONS; GENDER AND NUMBER

2.1 GENERAL DEFINITIONS. For purposes of the Plan, the following terms shall have the meanings hereinafter set forth unless the context otherwise requires:

2.1.1 "Account" shall mean the Account established for an Outside Director under Section 4.1.

2.1.2 "Board" shall mean the Board of Directors of the Company.

2.1.3 "Beneficiary" shall mean the person or entity designated by

a Participant, on forms furnished and in the manner prescribed by the Committee, to receive any benefit payable under the Plan after the Participant's death. If a Participant fails to designate a beneficiary or if, for any reason, such designation is not effective, the Participant's "Beneficiary" shall be the Participant's surviving spouse or, if none, the Participant's estate.

2.1.4 "CBI Shares" shall mean common shares of the Company.

2.1.5 "Committee" shall mean the Compensation Committee of the Board.

2.1.6 "Company" shall mean Cincinnati Bell Inc.

1

2.1.7 "Credited Service" shall mean active service as an Outside Director, including service as an Outside Director prior to the Effective Date. One year of Credited Service shall be given for each twelve full months of Credited Service, whether or not consecutive. A fraction of a year of Credited Service shall be rounded up or down to the nearest whole year.

2.1.8 "Effective Date" shall mean December 31, 1996.

2.1.9 "Other Fee" shall mean any fee for Outside Directors established by the Board for attending Board or committee meetings or for serving as a chair of a Board committee, but shall not include the Retainer or expense reimbursements.

2.1.10 "Other Fee Payment Date" shall mean the date on which any Other Fee is payable to an Outside Director.

2.1.11 "Outside Director" shall mean any member of the Board who is not an employee of the Company, but shall not include any person serving as Director Emeritus.

2.1.12 "Participant" shall mean a person who has served as an Outside Director on or after the Effective Date and whose Account has not been fully paid or forfeited, as the case may be.

2.1.13 "Retainer" shall mean the annual fee for Outside Directors established by the Board, but shall not include meeting fees, fees for serving as a chair of a Board committee or expense reimbursements.

2.1.14 "Retainer Payment Date" shall mean the quarterly dates on which the Outside Directors' Retainer is paid.

2.1.15 "Retirement Plan" shall mean the Cincinnati Bell Inc. Retirement Plan for Outside Directors.

2.1.16 "Valuation Date" means the last day of each calendar year and the date as of which any payment is to be made under the Plan.

2.2 GENDER AND NUMBER. For purposes of the Plan, words used in any gender shall include all other genders, words used in the singular form shall include the plural form, and words used in the plural form shall include the singular form, as the context may require.

2

SECTION 3

DEFERRALS

3.1 ELECTION OF DEFERRALS. Subject to such rules as the Committee may prescribe, an Outside Director may elect to defer up to 100% of the Outside Director's Retainer and/or Other Fees for any calendar year by completing a deferral form and filing such form with the Committee prior to January 1 of such calendar year (or such earlier date as may be prescribed by the Committee). Notwithstanding the foregoing, if an Outside Director first becomes an Outside Director after the first day of a calendar year, such Outside Director may elect to defer up to 100% of the Outside Director's Retainer and/or Other Fees for the remainder of the calendar year by completing and signing a deferral form provided by the Committee and filing such form with the Committee within 30 days of the date on which the Outside Director first becomes an Outside Director. Any election under the preceding sentence shall be effective as of the first Retainer Date or Other Fee Payment Date, as the case may be, after the date the election is filed.

3.2 CHANGING DEFERRALS. Subject to such rules as the Committee may prescribe, an Outside Director who has elected to defer a portion or all of any Retainer and/or Other Fee may change the amount of the deferral from one permissible amount to another, effective as of any January 1, by completing and signing a new deferral form and filing such form with the Committee prior to such January 1 (or such earlier date as may be prescribed by the Committee).

SECTION 4

MAINTENANCE AND VALUATION OF ACCOUNTS

4.1 DEFERRED COMPENSATION ACCOUNTS. A separate bookkeeping Account shall be established for each Outside Director which shall reflect all amounts credited to the Outside Director's Account under this Section 4.1 and the assumed investment of those amounts.

4.1.1 On each Retainer Payment Date and Other Fee Payment Date after the Effective Date, there shall be credited to each Outside Director's Account the amount of the Retainer or Other Fee which the Outside Director has elected to defer under Section 3.1. Amounts credited to the Outside Director's Account under this Section 4.1.1 shall be assumed to be invested exclusively in Cash Equivalents.

4.1.2 In the case of an Outside Director who was participating in the Predecessor Plan immediately prior to the Effective Date, the balance then credited to the Outside Director's account under the Predecessor Plan shall be credited to the Outside Director's Account under this Plan as of the Effective Date. Amounts credited to the

3

Outside Director's Account under this Section 4.1.2 shall be assumed to be invested exclusively in Cash Equivalents.

4.1.3 In the case of an Outside Director who was participating in the Retirement Plan on July 1, 1996, an amount equal to the present value of the Outside Director's accrued benefit under the Retirement Plan as of the Effective Date (as determined by the Board) shall be credited to the Outside Director's Account under this Plan as of the Effective Date. Amounts credited to an Outside Director's Account under this Section 4.1.3 shall be assumed to be

invested exclusively in CBI Shares. For purposes of this Section 4.1.3, each Outside Director who was an Outside Director on July 1, 1996 shall be deemed to have been participating in the Retirement Plan on that date.

4.1.4 As of the first business day of 1999 and each subsequent calendar year, there shall be credited to the Account of each person who is an Outside Director on such day an amount equal to the value on such day of the number of CBI Shares that are produced by multiplying 500 CBI Shares by a fraction having a numerator equal to the sum of the average of the high and low sale prices on the New York Stock Exchange of a CBI Share for January 4, 1999 and the average of the high and low sale prices on the New York Stock Exchange of a common share of Convergys Corporation (for purposes of this Plan, a "Convergys Share") for January 4, 1999 and a denominator equal to the average of the high and low sale prices on the New York Stock Exchange of a CBI Share for January 4, 1999. Amounts credited to an Outside Director's Account under this Section 4.1.4 shall be assumed to be invested exclusively in CBI Shares

4.1.5 As of January 4, 1999, there shall be credited to the Account of each person who is an Outside Director on such date an amount equal to the value on such date of the number of CBI Shares that are produced by dividing \$100,000 (or, in the case of the Outside Director who is the Chairman of the Board on January 4, 1999, \$200,000) by the product of 0.88 (a factor to reflect the forfeiture provisions noted below in this Section 4.1.5) and the average of the high and low sale prices on the New York Stock Exchange of a CBI Share for January 4, 1999. Amounts credited to an Outside Director's Account under this Section 4.1.5 shall be assumed to be invested exclusively in CBI Shares. Notwithstanding the foregoing, the amount credited to the Account of any Outside Director under this Section 4.1.5 (and all other assumed investment credits under Section 4.3 below to such Account that are attributable to the amount credited to such Account under this Section 4.1.5) shall be forfeited and entirely disregarded in determining the distributions to be made under this Plan to such Outside Director if such Outside Director fails to remain a member of the Board continuously from January 4, 1999 through January 3, 2003 for any reason (other than death or retirement). In the event of death or retirement of an Outside Director prior to January 3, 2003, no forfeiture of credits will be applied in determining the distributions to be made under the Plan.

4

4.1.6 As of December 31, 1998, there shall be credited to the Account of each person who is then a Participant in the Plan an amount equal to the value on December 31, 1998 of a number of Convergys Shares equal to the number of CBI Shares which are assumed to be held in such Account as of December 31, 1998 under the terms of the Plan. Except as is otherwise provided in the immediately following sentence, the entire amount credited to any Participant's Account under this Section 4.1.6 shall be assumed to be invested exclusively in Convergys Shares. Notwithstanding the immediately preceding sentence, each Participant who has an amount credited to his Account under this Section 4.1.6 may elect, at any time during the period that begins on February 1, 1999 and ends February 12, 1999 and by returning to the Committee a form approved for this purpose by the Committee, to have the entire value as of January 4, 1999 (the first business day after the date of Distribution) of the portion of his Account that is attributable to the amount credited under this Section 4.1.6 (and the assumed investments of such portion to January 4, 1999) assumed to be invested from and after January 4, 1999 exclusively in CBI Shares.

4.2 ASSUMED INVESTMENT IN CASH EQUIVALENTS. To the extent that a Participant's Account is assumed to be invested in Cash Equivalents and has

not been paid, the Account will be credited with interest, compounded quarterly at the end of each calendar quarter, equal to the average U.S. Treasury 10-year note rate for the previous calendar quarter.

4.3 CBI SHARES. To the extent that a Participant's Account is assumed to be invested in CBI Shares and has not been paid or forfeited, as the case may be:

4.3.1 Whenever any cash dividends are paid with respect to CBI Shares, an additional amount shall be credited to the Participant's Account as of the dividend payment date. The additional amount to be credited to each account shall be determined by multiplying the per share cash dividend paid with respect to the CBI Shares on the dividend payment date by the number of assumed CBI Shares credited to the Participant's Account on the day preceding the dividend payment date. Such additional amount credited to the Account shall be assumed to be invested in additional CBI Shares on the day on which such dividends are paid.

4.3.2 If there is any change in CBI Shares through the declaration of a stock dividend or a stock split or through a recapitalization resulting in a stock split, or a combination or a change in shares, the number of shares assumed to be purchased for each Account shall be appropriately adjusted.

4.3.3 Whenever CBI Shares are to be valued for purposes of the Plan, the value of each CBI Share shall be the average of the high and low price per share as reported on the New York Stock Exchange on that date or, if no CBI Shares were traded on that date, on the next preceding day on which CBI Shares were traded.

5

4.4 CONVERGYS SHARES. To the extent that a Participant's Account is assumed to be invested in Convergys Shares, or has credited to it an amount based on the value of the Convergys Shares as of any date, and has not yet been paid or forfeited, as the case may be:

4.4.1 Whenever any cash dividends are paid with respect to Convergys Shares, an additional amount shall be credited to the Participant's Account as of the dividend payment date. The additional amount to be credited to the Account shall be determined by multiplying the per share cash dividend paid with respect to the Convergys Shares on the dividend payment date by the number of assumed Convergys Shares credited to the Participant's Account on the day preceding the dividend payment date. Such additional amount credited to the Account shall be assumed to be invested in additional Convergys Shares on the day on which such dividends are paid.

4.4.2 If there is any change in Convergys Shares through the declaration of a stock dividend or a stock split or through a recapitalization resulting in a stock split, or a combination or a change in shares, the number of Convergys Shares assumed to be purchased for the Participant's Account shall be appropriately adjusted.

4.4.3 Whenever Convergys Shares are to be valued for purposes of the Plan, the value of each Convergys Share shall be the average of the high and low sale price per Convergys Share as reported on the New York Stock Exchange on that date or, if no Convergys Shares were traded on that date, on the next preceding day on which Convergys Shares were traded.

4.5 VALUATION. As of each Valuation Date, each Participant's Account shall be adjusted to reflect all amounts credited to the Account

since the preceding Valuation Date, any gains or losses in the value of the Account's assumed investments (Cash Equivalents, CBI Shares, and/or Convergys Shares) since the preceding Valuation Date and any payments or forfeitures occurring as of the Valuation Date.

SECTION 5

DISTRIBUTION

5.1 GENERAL. Except as otherwise provided in Section 5.5, no amount shall be paid with respect to a Participant's Account while the Participant remains a member of the Board.

5.2 TERMINATION OF SERVICE. A Participant may elect to receive the amounts credited to the Participant's Account in up to ten annual installment payments as of or commencing as of the first business day of the calendar year following the calendar year in which the Participant ceases to be a member of the Board. If a Participant fails to make such an election, the amounts credited to the Participant's Account shall be paid to

6

the Participant in one lump sum as of the first business day of the calendar year next following the calendar year in which the Participant ceases to be a member of the Board

5.2.1. The amount of each annual installment payable under this Section 5.2 shall be a fraction of the nonforfeitable amounts credited to the Participant's Account as of the installment payment date, the numerator of which is 1 and the denominator of which is equal to the total number of installments remaining to be paid (including the installment to be paid on the subject installment payment date).

5.2.2. Any election under this Section 5.2 must be made in writing at least six months prior to the date on which the Participant ceases to be a member of the Board.

5.2.3. Notwithstanding any other provision hereof to the contrary, the right to receive payments with respect to that portion of the Participant's Account which is attributable to amounts credited under Sections 4.1.3, 4.1.4, and 4.1.6 (including the assumed investments of such amounts) shall be conditioned on the Participant completing at least five years of Credited Service prior to the date on which the Participant ceases to be a member of the Board. To the extent that a Participant has not satisfied such service requirement prior to the date on which the Participant ceases to be a member of the Board (other than by reason of death), the Participant shall not be entitled to receive any payment with respect to that portion of the Participant's Account which is attributable to amounts credited under Sections 4.1.3, 4.1.4, and 4.1.6 (including the assumed investments of such amounts) and such portion shall be forfeited as of the date on which the Participant ceases to be a member of the Board.

5.3 DEATH. If a Participant ceases to be a member of the Board by reason of death, or if a Participant dies after ceasing to be a member of the Board but before the amounts credited to the Participant's Account have been paid, the amounts credited to the Participant's Account shall be paid to the Participant's Beneficiary in one lump sum as of the first business day of the calendar year next following the calendar year in which the Participant's death occurs; provided, however, that if the Participant has elected to have the Participant's Account distributed in installments and if the Participant dies after distribution has commenced, the remaining installments shall be

paid to the Beneficiary as they become due.

5.4 FORM OF PAYMENT. All payments under the Plan shall be made in cash.

5.5 CHANGE IN CONTROL. If a Change in Control of the Company occurs, the amount credited to each Participant's Account shall be paid to the Participant in one lump sum as of the day next following the date on which such Change in Control occurs. A "Change in Control of the Company" shall be deemed to have occurred if, on or after December 31, 1996, (i) a tender offer shall be made and consummated for the ownership of 30% or more of the outstanding voting securities of the Company; (ii) the Company shall be merged or consolidated with another corporation and as a result of such merger or consolidation less than 75% of the outstanding voting securities of the surviving or

7

resulting corporation shall be owned in the aggregate by the former shareholders of the Company, other than affiliates (within the meaning of the Securities Exchange Act of 1934 (the "Act")) of any party to such merger or consolidation, as the same shall have existed immediately prior to such merger or consolidation; (iii) the Company shall sell substantially all of its assets to another corporation which is not a wholly owned subsidiary; (iv) a person, within the meaning of Section 3 (a) (9) or of Section 13(d) (3) (as in effect on December 31, 1996) of the Act, shall acquire 20% or more of the outstanding voting securities of the Company (whether directly, indirectly, beneficially or of record), or a person, within the meaning of Section 3(a)(9) or Section 13(d)(3) (as in effect on December 31, 1996) of the Act, controls in any manner the election of a majority of the directors; or (v) within any period of two consecutive years after December 31, 1996, individuals who at the beginning of such period constitute the Board cease for any reason to constitute at least a majority thereof, unless the election of each director who was not a director at the beginning of such period has been approved in advance by directors representing at least two-thirds of the directors then in office who were directors at the beginning of the period. For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3(d)(1)(i) (as in effect on December 31, 1996) pursuant to the Act.

SECTION 6

ADMINISTRATION OF THE PLAN

6.1 GENERAL. The general administration of the Plan and the responsibility for carrying out its provisions shall be placed in the Committee.

6.2 EXPENSES. Expenses of administering the Plan shall be paid by the Company.

6.3 COMPENSATION OF COMMITTEE. The members of the Committee shall not receive compensation for their services as such, and, except as required by law, no bond or other security need be required of them in such capacity in any jurisdiction.

6.4 RULES OF PLAN. Subject to the limitations of the Plan, the Committee may, from time to time, establish rules for the administration of the Plan and the transaction of its business. The Committee may correct errors, however arising, and as far as possible, adjust any benefit payments accordingly. The determination of the Committee as to the interpretation of

the provisions of the Plan. Any disputed question shall be conclusive upon all interested parties.

6.5 AGENTS AND EMPLOYEES. The Committee may authorize one or more agents to execute or deliver any instrument. The Committee may appoint or employ such agents, counsel (including counsel of any Company), auditors (including auditors of any Company), physicians, clerical help and actuaries as in the Committee's judgment may seem reasonable or necessary for the proper administration of the Plan.

8

6.6 INDEMNIFICATION. The Company shall indemnify each member of the Committee for all expenses and liabilities (including reasonable attorney's fees) arising out of the administration of the Plan. The foregoing right of indemnification shall be in addition to any other rights to which the members of the Committee may be entitled as a matter of law.

SECTION 7

FUNDING OBLIGATION

The Company shall have no obligation to fund, either by the purchase of CBI Shares or by any other means, its obligations to Participants hereunder. If, however, the Company does elect to allocate assets to provide for any such obligation, the assets allocated for such purpose shall be assets of the Company subject to claims against the Company, including claims of the Company's creditors, to the same extent as are other corporate assets, and the Participants shall have no right or claim against the assets so allocated, other than as general creditors of the Company.

SECTION 8

AMENDMENT AND TERMINATION

The Board may amend or terminate the Plan at any time; provided that no amendment shall be made or act of termination taken which adversely affects the accrued benefits of any Participant without such Participant's consent.

SECTION 9

NON-ALIENATION OF BENEFITS

No Participant or Beneficiary shall alienate, commute, anticipate, assign, pledge, encumber or dispose of the right to receive the payments required to be made by the Company hereunder, which payments and the right to receive them are expressly declared to be nonassignable and nontransferable.

9

SECTION 10

MISCELLANEOUS

10.1 DELEGATION. The Committee may delegate to any person or committee certain of its rights and duties hereunder. Any such delegation shall be valid and binding on all persons and the person or committee to whom or which authority is delegated shall have full power to act in all matters so delegated until the authority expires by its terms or is revoked by the Committee, as the case may be.

10.2 APPLICABLE LAW. The Plan shall be governed by applicable federal law and, to the extent not preempted by applicable federal law, the laws of the State of Ohio.

10.3 SEPARABILITY OF PROVISIONS. If any provision of the Plan is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provisions had not been included.

10.4 HEADINGS. Headings used throughout the Plan are for convenience only and shall not be given legal significance.

10.5 COUNTERPARTS. The Plan may be executed in any number of counterparts, each of which shall be deemed an original. All counterparts shall constitute one and the same instrument, which shall be sufficiently evidenced by any one thereof.

IN WITNESS WHEREOF, Cincinnati Bell Inc. has caused its name to be subscribed on the ____ day of _____, 1996.

CINCINNATI BELL INC.

By _____

10

EMPLOYMENT AGREEMENT

This Agreement is made as of the Effective Date between Cincinnati Bell Inc., an Ohio corporation ("Employer"), and John T. LaMacchia ("Employee"). For purposes of this Agreement, "Effective Date" means the date following the date on which the Employer distributes to its shareholders all of the common shares of Convergys Corporation owned by Employer after the initial public offering of Convergys Corporation common shares.

Employer and Employee agree as follows:

1. EMPLOYMENT. By this Agreement, Employer and Employee set forth the terms of Employer's employment of Employee on and after the Effective Date. Any prior agreements or understandings with respect to Employee's employment by Employer, including Employee's Employment Agreement with Cincinnati Bell Inc. dated December 1, 1987, are canceled as of the Effective Date.

2. TERM OF AGREEMENT. The term of this Agreement shall be the period commencing on the Effective Date and ending on the day preceding the first anniversary of the Effective Date or such earlier date as may be agreed upon by the Employer and Employee. Notwithstanding the foregoing, the term of this Agreement is subject to termination as provided in Section 13.

3. DUTIES.

A. Employee will serve as President and Chief Executive Officer of Employer or in such other equivalent capacity as may be designated by the Board of Directors of Employer. Employee will report to the Board of Directors of Employer. Employee will also serve as a member of the Board of Directors of Employer.

B. Employee shall furnish such managerial, executive, financial, technical, and other skills, advice, and assistance in operating Employer and its Affiliates as Employer may reasonably request. For purposes of this Agreement, "Affiliate" means each corporation which is a member of a controlled group of corporations (within the meaning of section 1563(a) of the Internal Revenue Code of 1986, as amended (the "Code")) which includes Employer.

C. Employee shall also perform such other duties as are reasonably assigned to Employee by the Board of Directors of Employer.

D. Employee shall devote Employee's entire time, attention, and energies to the business of Employer and its Affiliates. The words "entire time, attention, and energies" are intended to mean that Employee shall devote Employee's full effort during reasonable working hours to the business of Employer and its Affiliates and shall devote at least 40 hours per week to the business of Employer and its Affiliates. Employee shall travel to such places as are necessary in the performance of Employee's duties. It is also understood, however, that

Employee may be devoting some effort to planning his activities that will follow the term of this Agreement, but that such planning will not interfere with his duties hereunder.

4. COMPENSATION.

A. Employee shall receive a base salary (the "Base Salary") of at least \$600,000 per year, payable not less frequently than monthly, for each year during the term of this Agreement, subject to proration for any partial year. Such Base Salary, and all other amounts payable under this Agreement, shall be subject to withholding as required by law.

B. In addition to the Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's regular bonus payment policies. Each year, Employee shall be given a Bonus target, by Employer's Compensation Committee, of not less than \$358,000, subject to proration for a partial year.

C. On at least an annual basis, Employee shall receive a formal performance review and be considered for Base Salary and/or Bonus target increases.

5. EXPENSES. All reasonable and necessary expenses incurred by Employee in the course of the performance of Employee's duties to Employer shall be reimbursable in accordance with Employer's then current travel and expense policies.

6. BENEFITS.

A. While Employee remains in the employ of Employer, Employee shall be entitled to participate in all of the various employee benefit plans and programs, or equivalent plans and programs, set forth in Attachment B.

B. Notwithstanding anything contained herein to the contrary, the Base Salary and Bonuses otherwise payable to Employee shall be reduced by any benefits paid to Employee by Employer under any disability plans made available to Employee by Employer.

C. As of the Effective Date, Employee shall be granted options to purchase 200,000 common shares of Employer under Employer's 1997 Long Term Incentive Plan. In each year of this Agreement after 1998, Employee will be granted stock options under Employer's 1997 Long Term Incentive Plan or any similar plan made available to employees of Employer.

D. As of the Effective Date, Employee shall receive a restricted stock award of 200,000 common shares of Employer. Such award shall be made under Employer's 1997 Long Term Incentive Plan on the terms set forth in Attachment A.

E. In each year of this Agreement after 1998, Employee will be given a Long Term Incentive target under Employer's 1997 Long Term Incentive Plan. In no event will the value of

2

Executive's long term incentives (stock options and performance shares) for any year, as determined by Employer's Compensation Committee, be less than \$810,000.

F. As long as Employee remains employed under this Agreement, Employee shall be entitled to participate in Employer's Pension Program.

G. Upon Employee's termination of employment for any reason (other than for Cause as defined in Section 13.C.) during the term of this Agreement (a) all stock options granted to Employee shall become immediately exercisable, (b) the restrictions applicable to any restricted stock grant shall immediately lapse, and (c) for purposes of computing Employee's benefit under Employer's Pension Program, the reduction for age shall be waived.

7. CONFIDENTIALITY. Employer and its Affiliates are engaged in the telecommunications industry within the U.S. Employee acknowledges that in the course of employment with the Employer, Employee will be entrusted with or obtain access to information proprietary to the Employer and its Affiliates with respect to the following (all of which information is referred to hereinafter collectively as the "Information"): the organization and management of Employer and its Affiliates; the names, addresses, buying habits, and other special information regarding past, present and potential customers, employees and suppliers of Employer and its Affiliates; customer and supplier contracts and transactions or price lists of Employer, its Affiliates and their suppliers; products, services, programs and processes sold, licensed or developed by the Employer or its Affiliates; technical data, plans and specifications, present and/or future development projects of Employer and its Affiliates; financial and/or marketing data respecting the conduct of the present or future phases of business of Employer and its Affiliates; computer programs, systems and/or software; ideas, inventions, trademarks, business information, know-how, processes, improvements, designs, redesigns, discoveries and developments of Employer and its Affiliates; and other information considered confidential by any of the Employer, its Affiliates or customers or suppliers of Employer or its Affiliates. Employee agrees to retain the Information in absolute confidence and not to disclose the Information to any person or organization except as required in the performance of Employee's duties for Employer, without the express written consent of Employer; provided that Employee's obligation of confidentiality shall not extend to any Information which becomes generally available to the public other than as a result of disclosure by Employee.

8. NEW DEVELOPMENTS. All ideas, inventions, discoveries, concepts,

trademarks, or other developments or improvements, whether patentable or not, conceived by the Employee, alone or with others, at any time during the term of Employee's employment, whether or not during working hours or on Employer's premises, which are within the scope of or related to the business operations of Employer or its Affiliates ("New Developments"), shall be and remain the exclusive property of Employer. Employee shall do all things reasonably necessary to ensure ownership of such New Developments by Employer, including the execution of documents assigning and transferring to Employer, all of Employee's rights, title and interest in and to such New Developments, and the execution of all documents required to enable Employer to file and obtain patents, trademarks, and copyrights in the United States and foreign countries on any of such New Developments.

3

9. SURRENDER OF MATERIAL UPON TERMINATION. Employee hereby agrees that upon cessation of Employee's employment, for whatever reason and whether voluntary or involuntary, Employee will immediately surrender to Employer all of the property and other things of value in his possession or in the possession of any person or entity under Employee's control that are the property of Employer or any of its Affiliates, including without any limitation all personal notes, drawings, manuals, documents, photographs, or the like, including copies and derivatives thereof, relating directly or indirectly to any confidential information or materials or New Developments, or relating directly or indirectly to the business of Employer or any of its Affiliates.

10. REMEDIES.

A. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer, the information disclosed to Employee during and by virtue of Employee's employment, and Employee's commitments and obligations to Employer and its Affiliates herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement by Employee will cause Employer irreparable injury and damage, and consequently the Employer shall be entitled to, in addition to all other remedies available to it, injunctive and equitable relief to prevent a breach of Sections 7, 8, 9, 11 and 12 of this Agreement and to secure the enforcement of this Agreement.

B. Except as provided in Section 10.A., the parties agree to submit to final and binding arbitration any dispute, claim or controversy, whether for breach of this Agreement or for violation of any of Employee's statutorily created or protected rights, arising between the parties that either party would have been otherwise entitled to file or pursue in court or before any administrative agency (herein "claim"), and waives all right to sue the other party.

(i) This agreement to arbitrate and any resulting arbitration award are enforceable under and subject to the Federal Arbitration Act, 9 U.S.C. Section 1 et seq. ("FAA"). If the FAA is held not to apply for any reason then Ohio Revised Code Chapter 2711 regarding the enforceability of arbitration agreements and awards will govern this Agreement and the arbitration award.

(ii) (a) All of a party's claims must be presented at a single arbitration hearing. Any claim not raised at the arbitration hearing is waived and released. The arbitration hearing will take place in Cincinnati, Ohio.

(b) The arbitration process will be governed by the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA") except to the extent they are modified by this Agreement.

(c) Employee has had an opportunity to review the AAA rules and the requirements that Employee must pay a filing fee for which the Employer has

agreed to split on an equal basis.

4

(d) The arbitrator will be selected from a panel of arbitrators chosen by the AAA in White Plains, New York. After the filing of a Request for Arbitration, the AAA will send simultaneously to Employer and Employee an identical list of names of five persons chosen from the panel. Each party will have 10 days from the transmittal date in which to strike up to two names, number the remaining names in order of preference and return the list to the AAA.

(e) Any pre-hearing disputes will be presented to the arbitrator for expeditious, final and binding resolution.

(f) The award of the arbitrator will be in writing and will set forth each issue considered and the arbitrator's finding of fact and conclusions of law as to each such issue.

(g) The remedy and relief that may be granted by the arbitrator to Employee are limited to lost wages, benefits, cease and desist and affirmative relief, compensatory, liquidated and punitive damages and reasonable attorney's fees, and will not include reinstatement or promotion. If the arbitrator would have awarded reinstatement or promotion, but for the prohibition in this Agreement, the arbitrator may award front pay. The arbitrator may assess to either party, or split, the arbitrator's fee and expenses and the cost of the transcript, if any, in accordance with the arbitrator's determination of the merits of each party's position, but each party will bear any cost for its witnesses and proof.

(h) Employer and Employee recognize that a primary benefit each derives from arbitration is avoiding the delay and costs normally associated with litigation. Therefore, neither party will be entitled to conduct any discovery prior to the arbitration hearing except that: (i) Employer will furnish Employee with copies of all non-privileged documents in Employee's personnel file; (ii) if the claim is for discharge, Employee will furnish Employer with records of earnings and benefits relating to Employee's subsequent employment (including self-employment) and all documents relating to Employee's efforts to obtain subsequent employment; (iii) the parties will exchange copies of all documents they intend to introduce as evidence at the arbitration hearing at least 10 days prior to such hearing; (iv) Employee will be allowed (at Employee's expense) to take the depositions, for a period not to exceed four hours each, of two representatives of Employer, and Employer will be allowed (at its expense) to depose Employee for a period not to exceed four hours; and (v) Employer or Employee may ask the arbitrator to grant additional discovery to the extent permitted by AAA rules upon a showing that such discovery is necessary.

(i) Nothing herein will prevent either party from taking the deposition of any witness where the sole purpose for taking the deposition is to use the deposition in lieu of the witness testifying at the hearing and the witness is, in good faith, unavailable to testify in person at the hearing due to poor health, residency and employment more than 50 miles from the hearing site, conflicting travel plans or other comparable reason.

(iii) Arbitration must be requested in writing no later than 6 months from the date of the party's knowledge of the matter disputed by the claim. A party's failure to initiate

5

arbitration within the time limits herein will be considered a waiver and release by that party with respect to any claim subject to arbitration under this Agreement.

(iv) Employer and Employee consent that judgment upon the arbitration award may be entered in any federal or state court that has jurisdiction.

(v) Except as provided in Section 10.A., neither party will commence or pursue any litigation on any claim that is or was subject to arbitration under this Agreement.

(vi) All aspects of any arbitration procedure under this Agreement, including the hearing and the record of the proceedings, are confidential and will not be open to the public, except to the extent the parties agree otherwise in writing, or as may be appropriate in any subsequent proceedings between the parties, or as may otherwise be appropriate in response to a governmental agency or legal process.

11. COVENANT NOT TO COMPETE. For purposes of this Section 11 only, the term "Employer" shall mean, collectively, Employer and each of its Affiliates. During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not engage in any business offering services related to the current business of Employer, whether as a principal, partner, joint venture, agent, employee, salesman, consultant, director or officer, where such position would involve Employee in any business activity in competition with Employer. This restriction will be limited to the geographical area where Employer is then engaged in such competing business activity or to such other geographical area as a court shall find reasonably necessary to protect the goodwill and business of the Employer.

During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not interfere with or adversely affect, either directly or indirectly, Employer's relationships with any person, firm, association, corporation or other entity which is known by Employee to be, or is included on any listing to which Employee had access during the course of employment as a customer, client, supplier, consultant or employee of Employer and that Employee will not divert or change, or attempt to divert or change, any such relationship to the detriment of Employer or to the benefit of any other person, firm, association, corporation or other entity.

During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee shall not, without the prior written consent of Employer, accept employment, as an employee, consultant, or otherwise, with any company or entity which is a customer or supplier of Employer at any time during the final year of Employee's employment with Employer.

Employee will not, during or at any time within three years after the termination of Employee's employment with Employer, induce or seek to induce, any other employee of Employer to terminate his or her employment relationship with Employer.

6

12. GOODWILL. Employee will not disparage Employer or any of its Affiliates in any way which could adversely affect the goodwill, reputation and business relationships of Employer or any of its Affiliates with the public generally, or with any of their customers, suppliers or employees. Employer will not disparage Employee.

13. TERMINATION.

A. (i) Employer or Employee may terminate this Agreement upon Employee's failure or inability to perform the services required hereunder because of any physical or mental infirmity for which Employee receives disability benefits under any disability benefit plans made available to Employee by Employer (the "Disability Plans"), over a period of one hundred twenty consecutive working days during any twelve consecutive month period (a "Terminating Disability").

(ii) If Employer or Employee elects to terminate this Agreement in the event of a Terminating Disability, such termination shall be effective immediately upon the giving of written notice by the terminating party to the other.

(iii) Upon termination of this Agreement on account of Terminating Disability, Employer shall pay Employee Employee's accrued compensation hereunder, whether Base Salary, Bonus or otherwise (subject to offset for any amounts received pursuant to the Disability Plans), to the date of termination. For as long as such Terminating Disability may exist, Employee shall continue to be an employee of Employer for all other purposes and Employer shall provide Employee with disability benefits and all other benefits according to the provisions of the Disability Plans and any other Employer plans in which Employee is then participating.

(iv) If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Employee returns to active employment with Employer prior to such a termination, or if such disability exists for less than one hundred twenty consecutive working days, the provisions of this Agreement shall remain in full force and effect.

B. This Agreement terminates immediately and automatically on the death of the Employee, provided, however, that the Employee's estate shall be paid Employee's accrued compensation hereunder, whether Base Salary, Bonus or otherwise, to the date of death.

C. Employer may terminate this Agreement immediately, upon written notice to Employee, for Cause. For purposes of this Agreement, Employer shall have "Cause" to terminate this Agreement only if Employer's Board of Directors determines that there has been fraud, misappropriation or embezzlement on the part of Employee.

D. Employer may terminate this Agreement immediately, upon written notice to Employee, for any reason other than those set forth in Sections 13.A., B. and C.; provided, however, that Employer shall have no right to terminate under this Section 13.D. within two years after a Change in Control. In the event of a termination by Employer under this Section 13.D., Employer shall, within five days after the termination, pay Employee an amount equal to

7

the greater of (i) two times the sum of the annual Base Salary rate in effect at the time of termination plus the Bonus target in effect at the time of termination or (ii) if the Current Term is longer than two years, the sum of the Base Salary for the remainder of the Current Term (at the rate in effect at the time of termination) plus the Bonus targets (at the amount in effect at the time of termination) for each calendar year commencing or ending during the remainder of the Current Term (subject to proration in the case of any calendar year ending after the Current Term). For the remainder of the Current Term, Employer shall continue to provide Employee with medical, dental, vision and life insurance coverage comparable to the medical, dental, vision and life insurance coverage in effect for Employee immediately prior

to the termination; and, to the extent that Employee would have been eligible for any post-retirement medical, dental, vision or life insurance benefits from Employer if Employee had continued in employment through the end of the Current Term, Employer shall provide such post-retirement benefits to Employee after the end of the Current Term. For purposes of any stock option or restricted stock grant outstanding immediately prior to the termination, Employee's employment with Employer shall not be deemed to have terminated until the end of the Current Term. In addition, Employee shall be entitled to receive, as soon as practicable after termination, an amount equal to the sum of (i) any forfeitable benefits under any qualified or nonqualified pension, profit sharing, 401(k) or deferred compensation plan of Employer or any Affiliate which would have vested prior to the end of the Current Term if Employee's employment had not terminated plus (ii) if Employee is participating in a qualified or nonqualified defined benefit plan of Employer or any Affiliate at the time of termination, an amount equal to the present value of the additional vested benefits which would have accrued for Employee under such plan if Employee's employment had not terminated prior to the end of the Current Term and if Employee's annual Base Salary and Bonus target had neither increased nor decreased after the termination. For purposes of this Section 13.D., "Current Term" means the longer of (i) the two year period beginning at the time of termination or (ii) the unexpired term of this Agreement at the time of the termination, determined as provided in Section 2 but assuming that there is no automatic extension of the Agreement term after the termination. For purposes of this Section 13.D. and Section 13.E., "Change in Control" means a change in control as defined in Employer's 1997 Long Term Incentive Plan.

E. This Agreement shall terminate automatically in the event that there is a Change in Control and either (i) Employee elects to resign within 90 days after the Change in Control or (ii) Employee's employment with Employer is actually or constructively terminated by Employer within two years after the Change in Control for any reason other than those set forth in Sections 13.A., B. and C. For purposes of the preceding sentence, a "constructive" termination of Employee's employment shall be deemed to have occurred if, without Employee's consent, there is a material reduction in Employee's authority or responsibilities or if there is a reduction in Employee's Base Salary or Bonus target from the amount in effect immediately prior to the Change in Control or if Employee is required by Employer to relocate from the city where Employee is residing immediately prior to the Change in Control. In the event of a termination under this Section 13.E., Employer shall pay Employee an amount equal to three times the sum of the annual Base Salary rate in effect at the time of termination plus the Bonus target in effect at the time of termination, all stock options shall become immediately exercisable (and Employee shall be afforded the opportunity to exercise them), the restrictions applicable to all restricted stock shall lapse and any long term awards shall be paid out at target. For the

8

remainder of the Current Term, Employer shall continue to provide Employee with medical, dental, vision and life insurance coverage comparable to the medical, dental, vision and life insurance coverage in effect for Employee immediately prior to the termination; and, to the extent that Employee would have been eligible for any post-retirement medical, dental, vision or life insurance benefits from Employer if Employee had continued in employment through the end of the Current Term, Employer shall provide such post-retirement benefits to Employee after the end of the Current Term. Employee's accrued benefit under any nonqualified pension or deferred compensation plan maintained by Employer or any Affiliate shall become immediately vested and nonforfeitable and Employee also shall be entitled to receive a payment equal to the sum of (i) any forfeitable benefits under any qualified pension or profit sharing or 401(k) plan maintained by Employer or

any Affiliate plus (ii) if Employee is participating in a qualified or nonqualified defined benefit plan of Employer or any Affiliate at the time of termination, an amount equal to the present value of the additional benefits which would have accrued for Employee under such plan if Employee's employment had not terminated prior to the end of the Current Term and if Employee's annual Base Salary and Bonus target had neither increased nor decreased after the termination. Finally, to the extent that Employee is deemed to have received an excess parachute payment by reason of the Change in Control, Employer shall pay Employee an additional sum sufficient to pay (i) any taxes imposed under section 4999 of the Code plus (ii) any federal, state and local taxes applicable to any taxes imposed under section 4999 of the Code. For purposes of this Section 13.E., "Current Term" means the longer of (i) the three year period beginning at the time of termination or (ii) the unexpired term of this Agreement at the time of the termination, determined as provided in Section 2 but assuming that there is no automatic extension of the Agreement term after the termination.

F. Upon termination of this Agreement as a result of an event of termination described in this Section 13 and except for Employer's payment of the required payments under this Section 13 (including any Base Salary accrued through the date of termination, any Bonus earned for the year preceding the year in which the termination occurs and any nonforfeitable amounts payable under any employee plan) and Section 6.G., all further compensation under this Agreement shall terminate.

G. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 7, 8, 9, 10, 11, and 12 hereof, the terms of which shall survive the termination of this Agreement.

14. ASSIGNMENT. As this is an agreement for personal services involving a relation of confidence and a trust between Employer and Employee, all rights and duties of Employee arising under this Agreement, and the Agreement itself, are non-assignable by Employee.

15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered personally or by certified mail to Employee at Employee's place of residence as then recorded on the books of Employer or to Employer at its principal office.

16. WAIVER. No waiver or modification of this Agreement or the terms contained herein shall be valid unless in writing and duly executed by the party to be charged therewith. The waiver by

9

any party hereto of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by such party.

17. GOVERNING LAW. This agreement shall be governed by the laws of the State of Ohio.

18. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Employee's employment by Employer. There are no other contracts, agreements or understandings, whether oral or written, existing between them except as contained or referred to in this Agreement.

19. SEVERABILITY. In case any one or more of the provisions of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or other enforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions have never been contained herein.

20. SUCCESSORS AND ASSIGNS. Subject to the requirements of Paragraph 14 above, this Agreement shall be binding upon Employee, Employer and Employer's successors and assigns.

21. CONFIDENTIALITY OF AGREEMENT TERMS. The terms of this Agreement shall be held in strict confidence by Employee and shall not be disclosed by Employee to anyone other than Employee's spouse, Employee's legal counsel, and Employee's other advisors, unless required by law. Further, except as provided in the preceding sentence, Employee shall not reveal the existence of this Agreement or discuss its terms with any person (including but not limited to any employee of Employer or its Affiliates) without the express authorization of the President or Board of Directors of Employer. To the extent that the terms of this Agreement have been disclosed by Employer, in a public filing or otherwise, the confidentiality requirements of this Section 21 shall no longer apply to such terms.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

CINCINNATI BELL INC.

By: /s/ Charles S. Mechem, Jr.

EMPLOYEE

/s/ John T. LaMacchia

John T. LaMacchia

10

Attachment B

EMPLOYEE BENEFITS

Automobile Allowance	Employer-provided leased automobile
Cellular Telephone	Yes
Executive Deferred Compensation Plan	No
Group Accident Life	\$500,000
Legal/Financial/Insurance Allowance	\$10,000 per year
Parking	Yes
Annual Physical	Yes
Short Term Disability Supplement	Yes
Travel Insurance (Spouse)	\$50,000
Vacation	5 weeks per year

EMPLOYMENT AGREEMENT

This Agreement is made as of the Effective Date between Convergys Corporation, an Ohio corporation ("Employer"), and Robert J. Marino ("Employee"). For purposes of this Agreement, "Effective Date" means the date on which the initial public offering of Employer's common shares is closed.

Employer and Employee agree as follows:

1. EMPLOYMENT. By this Agreement, Employer and Employee set forth the terms of Employer's employment of Employee on and after the Effective Date. Any prior agreements or understandings with respect to Employee's employment by Employer, including Employee's Employment Agreement with Cincinnati Bell Information Systems Inc. dated October 1, 1995, are canceled as of the Effective Date.

2. TERM OF AGREEMENT. The term of this Agreement initially shall be the four year period commencing on the Effective Date. On the third anniversary of the Effective Date and on each subsequent anniversary of the Effective Date, the term of this Agreement automatically shall be extended for a period of one additional year. Notwithstanding the foregoing, the term of this Agreement is subject to termination as provided in Section 13.

3. DUTIES.

A. Employee will serve as President of Information Services Group or in such other equivalent capacity as may be designated by the President of Employer. Employee will report to the President or Chief Operating Officer of Employer.

B. Employee shall furnish such managerial, executive, financial, technical, and other skills, advice, and assistance in operating Employer and its Affiliates as Employer may reasonably request. For purposes of this Agreement, "Affiliate" means each corporation which is a member of a controlled group of corporations (within the meaning of section 1563(a) of the Internal Revenue Code of 1986, as amended (the "Code")) which includes Employer.

C. Employee shall also perform such other duties as are reasonably assigned to Employee by the President of Employer.

D. Employee shall devote Employee's entire time, attention, and energies to the business of Employer and its Affiliates. The words "entire time, attention, and energies" are intended to mean that Employee shall devote Employee's full effort during reasonable working hours to the business of Employer and its Affiliates and shall devote at least 40 hours per week to the business of Employer and its Affiliates. Employee shall travel to such places as are necessary

in the performance of Employee's duties.

4. COMPENSATION.

A. Employee shall receive a base salary (the "Base Salary") of at least \$305,000 per year, payable not less frequently than monthly, for each year during the term of this Agreement, subject to proration for any partial year. Such Base Salary, and all other amounts payable under this Agreement, shall be subject to withholding as required by law.

B. In addition to the Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's

regular bonus payment policy. Each year, Employee shall be given a Bonus target, by Employer's Compensation Committee, of not less than \$160,000, subject to proration for a partial year.

C. On at least an annual basis, Employee shall receive a formal performance review and be considered for Base Salary and/or Bonus target increases.

5. EXPENSES. All reasonable and necessary expenses incurred by Employee in the course of the performance of Employee's duties to Employer shall be reimbursable in accordance with Employer's then current travel and expense policies.

6. BENEFITS.

A. While Employee remains in the employ of Employer, Employee shall be entitled to participate in all of the various employee benefit plans and programs, or equivalent plans and programs, set forth in Attachment B.

B. Notwithstanding anything contained herein to the contrary, the Base Salary and Bonuses otherwise payable to Employee shall be reduced by any benefits paid to Employee by Employer under any disability plans made available to Employee by Employer.

C. As of the Effective Date, Employee shall be granted options to purchase 100,000 common shares of Employer under Employer's 1998 Long Term Incentive Plan. In each year of this Agreement after 1998, Employee will be granted stock options under Employer's 1998 Long Term Incentive Plan or any similar plan made available to employees of Employer.

D. As of the Effective Date, Employee shall receive a restricted stock award of 50,000 common shares of Employer. Such award shall be made under Employer's 1998 Long Term Incentive Plan on the terms set forth in Attachment A.

E. In each year of this Agreement after 1998, Employee will be given a long term incentive target under Employer's 1998 Long Term Incentive Plan. In no event will the value of Executive's long term incentives (stock options and performance share targets) for any year, as

determined by Employer's Compensation Committee, be less than \$316,000.

F. As long as Employee remains employed under this Agreement, Employee shall be entitled to participate in Employer's Pension Program.

7. CONFIDENTIALITY. Employer and its Affiliates are engaged in the outsourced customer care industry within the U.S. and world wide. Employee acknowledges that in the course of employment with the Employer, Employee will be entrusted with or obtain access to information proprietary to the Employer and its Affiliates with respect to the following (all of which information is referred to hereinafter collectively as the "Information"); the organization and management of Employer and its Affiliates; the names, addresses, buying habits, and other special information regarding past, present and potential customers, employees and suppliers of Employer and its Affiliates; customer and supplier contracts and transactions or price lists of Employer, its Affiliates and their suppliers; products, services, programs and processes sold, licensed or developed by the Employer or its Affiliates; technical data, plans and specifications, present and/or future development projects of Employer and its Affiliates; financial and/or marketing data respecting the conduct of the present or future phases of business of Employer and its Affiliates; computer programs, systems and/or software; ideas, inventions, trademarks, business information, know-how, processes, improvements, designs, redesigns, discoveries and developments of Employer and its Affiliates; and other information considered confidential by any of

the Employer, its Affiliates, its customers or suppliers of Employer or its Affiliates. Employee agrees to retain the Information in absolute confidence and not to disclose the Information to any person or organization except as required in the performance of Employee's duties for Employer, without the express written consent of Employer; provided that Employee's obligation of confidentiality shall not extend to any Information which becomes generally available to the public other than as a result of disclosure by Employee.

8. NEW DEVELOPMENTS. All ideas, inventions, discoveries, concepts, trademarks, or other developments or improvements, whether patentable or not, conceived by the Employee, alone or with others, at any time during the term of Employee's employment, whether or not during working hours or on Employer's premises, which are within the scope of or related to the business operations of Employer or its Affiliates ("New Developments"), shall be and remain the exclusive property of Employer. Employee shall do all things reasonably necessary to ensure ownership of such New Developments by Employer, including the execution of documents assigning and transferring to Employer, all of Employee's rights, title and interest in and to such New Developments, and the execution of all documents required to enable Employer to file and obtain patents, trademarks, and copyrights in the United States and foreign countries on any of such New Developments.

9. SURRENDER OF MATERIAL UPON TERMINATION. Employee hereby agrees that upon cessation of Employee's employment, for whatever reason and whether voluntary or involuntary, Employee will immediately surrender to Employer all of the property and other things of value in his possession or in the possession of any person or entity under Employee's control that are the property of Employer or any of its Affiliates, including without any limitation all personal notes, drawings, manuals, documents, photographs, or the like, including copies and derivatives thereof,

relating directly or indirectly to any confidential information or materials or New Developments, or relating directly or indirectly to the business of Employer or any of its Affiliates.

10. REMEDIES.

A. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer, the information disclosed to Employee during and by virtue of Employee's employment, and Employee's commitments and obligations to Employer and its Affiliates herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement by Employee will cause Employer irreparable injury and damage, and consequently the Employer shall be entitled to, in addition to all other remedies available to it, injunctive and equitable relief to prevent a breach of Sections 7, 8, 9, 11 and 12 of this Agreement and to secure the enforcement of this Agreement.

B. Except as provided in Section 10.A., the parties agree to submit to final and binding arbitration any dispute, claim or controversy, whether for breach of this Agreement or for violation of any of Employee's statutorily created or protected rights, arising between the parties that either party would have been otherwise entitled to file or pursue in court or before any administrative agency (herein "claim"), and waives all right to sue the other party.

(i) This agreement to arbitrate and any resulting arbitration award are enforceable under and subject to the Federal Arbitration Act, 9 U.S.C. Section 1 et seq. ("FAA"). If the FAA is held not to apply for any reason then Ohio Revised Code Chapter 2711 regarding the enforceability of arbitration agreements and awards will govern this Agreement and the arbitration award.

(ii) (a) All of a party's claims must be presented at a single

arbitration hearing. Any claim not raised at the arbitration hearing is waived and released. The arbitration hearing will take place in Cincinnati, Ohio.

(b) The arbitration process will be governed by the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA") except to the extent they are modified by this Agreement.

(c) Employee has had an opportunity to review the AAA rules and the requirements that Employee must pay a filing fee for which the Employer has agreed to split on an equal basis.

(d) The arbitrator will be selected from a panel of arbitrators chosen by the AAA in White Plains, New York. After the filing of a Request for Arbitration, the AAA will send simultaneously to Employer and Employee an identical list of names of five persons chosen from the panel. Each party will have 10 days from the transmittal date in which to strike up to two names, number the remaining names in order of preference and return the list to the AAA.

(e) Any pre-hearing disputes will be presented to the arbitrator for

expeditious, final and binding resolution.

(f) The award of the arbitrator will be in writing and will set forth each issue considered and the arbitrator's finding of fact and conclusions of law as to each such issue.

(g) The remedy and relief that may be granted by the arbitrator to Employee are limited to lost wages, benefits, cease and desist and affirmative relief, compensatory, liquidated and punitive damages and reasonable attorney's fees, and will not include reinstatement or promotion. If the arbitrator would have awarded reinstatement or promotion, but for the prohibition in this Agreement, the arbitrator may award front pay. The arbitrator may assess to either party, or split, the arbitrator's fee and expenses and the cost of the transcript, if any, in accordance with the arbitrator's determination of the merits of each party's position, but each party will bear any cost for its witnesses and proof.

(h) Employer and Employee recognize that a primary benefit each derives from arbitration is avoiding the delay and costs normally associated with litigation. Therefore, neither party will be entitled to conduct any discovery prior to the arbitration hearing except that: (i) Employer will furnish Employee with copies of all non-privileged documents in Employee's personnel file; (ii) if the claim is for discharge, Employee will furnish Employer with records of earnings and benefits relating to Employee's subsequent employment (including self-employment) and all documents relating to Employee's efforts to obtain subsequent employment; (iii) the parties will exchange copies of all documents they intend to introduce as evidence at the arbitration hearing at least 10 days prior to such hearing; (iv) Employee will be allowed (at Employee's expense) to take the depositions, for a period not to exceed four hours each, of two representatives of Employer, and Employer will be allowed (at its expense) to depose Employee for a period not to exceed four hours; and (v) Employer or Employee may ask the arbitrator to grant additional discovery to the extent permitted by AAA rules upon a showing that such discovery is necessary.

(i) Nothing herein will prevent either party from taking the deposition of any witness where the sole purpose for taking the deposition is to use the deposition in lieu of the witness testifying at the hearing and the witness is, in good faith, unavailable to testify in person at the hearing due to poor health, residency and employment more than 50

miles from the hearing site conflicting travel plans or other comparable reason.

(iii) Arbitration must be requested in writing no later than 6 months from the date of the party's knowledge of the matter disputed by the claim. A party's failure to initiate arbitration within the time limits herein will be considered a waiver and release by that party with respect to any claim subject to arbitration under this Agreement.

(iv) Employer and Employee consent that judgment upon the arbitration award may be entered in any federal or state court that has jurisdiction.

(v) Except as provided in Section 10.A., neither party will commence or

pursue any litigation on any claim that is or was subject to arbitration under this Agreement.

(vi) All aspects of any arbitration procedure under this Agreement, including the hearing and the record of the proceedings, are confidential and will not be open to the public, except to the extent the parties agree otherwise in writing, or as may be appropriate in any subsequent proceedings between the parties, or as may otherwise be appropriate in response to a governmental agency or legal process.

11. COVENANT NOT TO COMPETE. For purposes of this Section 11 only, the term "Employer" shall mean, collectively, Employer and each of its Affiliates. During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not engage in any business offering services related to the current business of Employer, whether as a principal, partner, joint venturer, agent, employee, salesman, consultant, director or officer, where such position would involve Employee (i) in any business activity in competition with Employer; (ii) in any position with any customer of Employer which involves such customer's billing and/or billing related systems or; or (iii) in any business that provides billing and/or billing related systems to third parties engaged in the communication business (including wireless, wireline and cable communication businesses). This restriction will be limited to the geographical area where Employer is then engaged in such competing business activity or to such other geographical area as a court shall find reasonably necessary to protect the goodwill and business of the Employer.

During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not interfere with or adversely affect, either directly or indirectly, Employer's relationships with any person, firm, association, corporation or other entity which is known by Employee to be, or is included on any listing to which Employee had access during the course of employment as a customer, client, supplier, consultant or employee of Employer and that Employee will not divert or change, or attempt to divert or change, any such relationship to the detriment of Employer or to the benefit of any other person, firm, association, corporation or other entity.

During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee shall not, without the prior written consent of Employer, accept employment, as an employee, consultant, or otherwise, with any company or entity which is a customer or supplier of Employer at any time during the final year of Employee's employment with Employer.

Employee will not, during or at any time within three years after the termination of Employee's employment with Employer, induce or seek to induce, any other employee of Employer to terminate his or her employment relationship with Employer.

12. GOODWILL. Employee will not disparage Employer or any of its Affiliates in any way

which could adversely affect the goodwill, reputation and business relationships of Employer or any of its Affiliates with the public generally, or with any of their customers, suppliers or employees. Employer will not disparage Employee.

13. TERMINATION.

A. (i) Employer or Employee may terminate this Agreement upon Employee's failure or inability to perform the services required hereunder because of any physical or mental infirmity for which Employee receives disability benefits under any disability benefit plans made available to Employee by Employer (the "Disability Plans"), over a period of one hundred twenty consecutive working days during any twelve consecutive month period (a "Terminating Disability").

(ii) If Employer or Employee elects to terminate this Agreement in the event of a Terminating Disability, such termination shall be effective immediately upon the giving of written notice by the terminating party to the other.

(iii) Upon termination of this Agreement on account of Terminating Disability, Employer shall pay Employee Employee's accrued compensation hereunder, whether Base Salary, Bonus or otherwise (subject to offset for any amounts received pursuant to the Disability Plans), to the date of termination. For as long as such Terminating Disability may exist, Employee shall continue to be an employee of Employer for all other purposes and Employer shall provide Employee with disability benefits and all other benefits according to the provisions of the Disability Plans and any other Employer plans in which Employee is then participating.

(iv) If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Employee returns to active employment with Employer prior to such a termination, or if such disability exists for less than one hundred twenty consecutive working days, the provisions of this Agreement shall remain in full force and effect.

B. This Agreement terminates immediately and automatically on the death of the Employee, provided, however, that the Employee's estate shall be paid Employee's accrued compensation hereunder, whether Base Salary, Bonus or otherwise, to the date of death.

C. Employer may terminate this Agreement immediately, upon written notice to Employee, for Cause. For purposes of this Agreement, Employer shall have "Cause" to terminate this Agreement only if Employer's Board of Directors determines that there has been fraud, misappropriation or embezzlement on the part of Employee.

D. Employer may terminate this Agreement immediately, upon written notice to Employee, for any reason other than those set forth in Sections 13.A., B. and C.; provided, however, that Employer shall have no right to terminate under this Section 13.D. within two years after a Change in Control. In the event of a termination by Employer under this Section 13.D., Employer shall, within five days after the termination, pay Employee an amount equal to the greater of (i) two times the sum of the annual Base Salary rate in effect at the

time of

termination plus the Bonus target in effect at the time of termination or (ii) if the Current Term is longer than two years, the sum of the Base Salary for the remainder of the Current Term (at the rate in effect at the time of termination) plus the Bonus targets (at the amount in effect at the time of termination) for each calendar year commencing or ending during the remainder of the Current Term (subject to proration in the case of any calendar year ending after the Current Term). For the remainder of the Current Term, Employer shall continue to provide Employee with medical, dental, vision and life insurance coverage comparable to the medical, dental, vision and life insurance coverage in effect for Employee immediately prior to the termination; and, to the extent that Employee would have been eligible for any post-retirement medical, dental, vision or life insurance benefits from Employer if Employee had continued in employment through the end of the Current Term, Employer shall provide such post-retirement benefits to Employee after the end of the Current Term. For purposes of any stock option or restricted stock grant outstanding immediately prior to the termination, Employee's employment with Employer shall not be deemed to have terminated until the end of the Current Term. In addition, Employee shall be entitled to receive, as soon as practicable after termination, an amount equal to the sum of (i) any forfeitable benefits under any qualified or nonqualified pension, profit sharing, 401(k) or deferred compensation plan of Employer or any Affiliate which would have vested prior to the end of the Current Term if Employee's employment had not terminated plus (ii) if Employee is participating in a qualified or nonqualified defined benefit plan of Employer or any Affiliate at the time of termination, an amount equal to the present value of the additional vested benefits which would have accrued for Employee under such plan if Employee's employment had not terminated prior to the end of the Current Term and if Employee's annual Base Salary and Bonus target had neither increased nor decreased after the termination. For purposes of this Section 13.D., "Current Term" means the longer of (i) the two year period beginning at the time of termination or (ii) the unexpired term of this Agreement at the time of the termination, determined as provided in Section 2 but assuming that there is no automatic extension of the Agreement term after the termination. For purposes of this Section 13.D. and Section 13.E., "Change in Control" means a change in control as defined in Employer's 1998 Long Term Incentive Plan.

H. This Agreement shall terminate automatically in the event that there is a Change in Control and either (i) Employee elects to resign within 90 days after the Change in Control or (ii) Employee's employment with Employer is actually or constructively terminated by Employer within two years after the Change in Control for any reason other than those set forth in Sections 13.A., B. and C. For purposes of the preceding sentence, a "constructive" termination of Employee's employment shall be deemed to have occurred if, without Employee's consent, there is a material reduction in Employee's authority or responsibilities or if there is a reduction in Employee's Base Salary or Bonus target from the amount in effect immediately prior to the Change in Control or if Employee is required by Employer to relocate from the city where Employee is residing immediately prior to the Change in Control. In the event of a termination under this Section 13.E., Employer shall pay Employee an amount equal to three times the sum of the annual Base Salary rate in effect at the time of termination plus the Bonus target in effect at the time of termination, all stock options shall become immediately exercisable (and Employee shall be afforded the opportunity to exercise them), the restrictions applicable to all restricted stock shall lapse and any long term awards shall be paid out at target. For the remainder of the

Current Term, Employer shall continue to provide Employee with medical,

dental, vision and life insurance coverage comparable to the medical, dental, vision and life insurance coverage in effect for Employee immediately prior to the termination; and, to the extent that Employee would have been eligible for any post-retirement medical, dental, vision or life insurance benefits from Employer if Employee had continued in employment through the end of the Current Term, Employer shall provide such post-retirement benefits to Employee after the end of the Current Term. Employee's accrued benefit under any nonqualified pension or deferred compensation plan maintained by Employer or any Affiliate shall become immediately vested and nonforfeitable and Employee also shall be entitled to receive a payment equal to the sum of (i) any forfeitable benefits under any qualified pension or profit sharing or 401(k) plan maintained by Employer or any Affiliate plus (ii) if Employee is participating in a qualified or nonqualified defined benefit plan of Employer or any Affiliate at the time of termination, an amount equal to the present value of the additional benefits which would have accrued for Employee under such plan if Employee's employment had not terminated prior to the end of the Current Term and if Employee's annual Base Salary and Bonus target had neither increased nor decreased after the termination. Finally, to the extent that Employee is deemed to have received an excess parachute payment by reason of the Change in Control, Employer shall pay Employee an additional sum sufficient to pay (i) any taxes imposed under section 4999 of the Code plus (ii) any federal, state and local taxes applicable to any taxes imposed under section 4999 of the Code. For purposes of this Section 13.E., "Current Term" means the longer of (i) the three year period beginning at the time of termination or (ii) the unexpired term of this Agreement at the time of the termination, determined as provided in Section 2 but assuming that there is no automatic extension of the Agreement term after the termination.

F. Employee may resign upon 60 days' prior written notice to Employer. In the event of a resignation under this Section 13.F., this Agreement shall terminate and Employee shall be entitled to receive Employee's Base Salary through the date of termination, any Bonus earned but not paid at the time of termination and any other vested compensation or benefits called for under any compensation plan or program of Employer.

G. Employee may retire upon six months' prior written notice to Employer at any time after Employee has attained age 55 and completed at least ten years of service with Employer and its Affiliates. For purposes of the preceding sentence, service with Cincinnati Bell Inc. and its subsidiaries prior to the Effective Date shall be deemed to be service with Employer. In the event of a retirement under this Section 13.G., this Agreement shall terminate and Employee shall be entitled to receive Employee's Base Salary through the date of termination and any Bonus earned but not paid at the time of termination. In addition, Employee shall be entitled to receive any compensation or benefits made available to retirees under Employer's standard policies and programs, including retiree medical and life insurance benefits, a prorated Bonus for the year of termination, and the right to exercise options after retirement.

H. Upon termination of this Agreement as a result of an event of termination described in this Section 13 and except for Employer's payment of the required payments under this Section 13 (including any Base Salary accrued through the date of termination, any Bonus

earned for the year preceding the year in which the termination occurs and any nonforfeitable amounts payable under any employee plan), all further compensation under this Agreement shall terminate.

I. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 7, 8, 9, 10, 11, and 12 hereof, the terms of which shall survive the termination of this Agreement.

14. ASSIGNMENT. As this is an agreement for personal services involving a

relation of confidence and trust between Employer and Employee. All rights and duties of Employee arising under this Agreement, and the Agreement itself, are non-assignable by Employee.

15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered personally or by certified mail to Employee at Employee's place of residence as then recorded on the books of Employer or to Employer at its principal office.

16. WAIVER. No waiver or modification of this Agreement or the terms contained herein shall be valid unless in writing and duly executed by the party to be charged therewith. The waiver by any party hereto of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by such party.

17. GOVERNING LAW. This agreement shall be governed by the laws of the State of Ohio.

18. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Employee's employment by Employer. There are no other contracts, agreements or understandings, whether oral or written, existing between them except as contained or referred to in this Agreement.

19. SEVERABILITY. In case any one or more of the provisions of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or other enforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions have never been contained herein.

20. SUCCESSORS AND ASSIGNS. Subject to the requirements of Paragraph 14 above, this Agreement shall be binding upon Employee, Employer and Employer's successors and assigns.

21. CONFIDENTIALITY OF AGREEMENT TERMS. The terms of this Agreement shall be held in strict confidence by Employee and shall not be disclosed by Employee to anyone other than Employee's spouse, Employee's legal counsel, and Employee's other advisors, unless required by law. Further, except as provided in the preceding sentence, Employee shall not reveal the existence of this Agreement or discuss its terms with any person (including but not limited to any employee of Employer or its Affiliates) without the express authorization of the President of Employer. To the extent that the terms of this Agreement have been disclosed by Employer, in a public filing or otherwise, the confidentiality requirements of this Section 21 shall no longer

apply to such terms.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

CONVERGYS CORPORATION

By: _____

EMPLOYEE

Robert J. Marino

Attachment B

EMPLOYEE BENEFITS

Automobile Allowance	\$850 per month
Cellular Telephone	Yes
Executive Deferred Compensation Plan	Yes
Group Accident Life	\$500,000
Legal/Financial/Insurance Allowance	\$7,500 per year
Parking	Yes
Annual Physical	Yes
Short Term Disability Supplement	Yes
Travel Insurance (Spouse)	\$50,000
Vacation	5 weeks per year

AMENDMENT TO EMPLOYMENT AGREEMENT

The Employment Agreement between Convergys Corporation ("Employer") and Robert J. Marino ("Employee"), made as of the date on which the initial public offering of Employer's common shares was closed, is hereby amended in the following respects:

4. Section 4.A. is hereby amended to read as follows:

A. Employee shall receive a base salary (the "Base Salary") of at least \$360,000 per year, payable not less frequently than monthly, for each year after 1998 during the term of this Agreement, subject to proration for any partial year. Such Base Salary, and all other amounts payable under this Agreement, shall be subject to withholding as required by law.

2. Section 4.B. is hereby amended to read as follows:

B. In addition to the Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's regular bonus payment policies. The Bonus target for the period from August 13, 1998 through December 31, 1998 shall be \$61,808 (\$160,000 on an annualized basis). Each year after 1998, Employee shall be given a minimum Bonus target, by Employer's Compensation Committee, of not less than \$105,000, subject to proration for a partial year.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed on December ___, 1998.

CONVERGYS CORPORATION

By:

Robert J. Marino

EMPLOYMENT AGREEMENT

This Agreement is made as of the Effective Date between Convergys Corporation, an Ohio corporation ("Employer"), and David F. Dougherty ("Employee"). For purposes of this Agreement, "Effective Date" means the date on which the initial public offering of Employer's common shares is closed.

Employer and Employee agree as follows:

1. EMPLOYMENT. By this Agreement, Employer and Employee set forth the terms of Employer's employment of Employee on and after the Effective Date. Any prior agreements or understandings with respect to Employee's employment by Employer, including Employee's Employment Agreement with Cincinnati Bell Inc. dated January 1, 1995, are canceled as of the Effective Date.

2. TERM OF AGREEMENT. The term of this Agreement initially shall be the four year period commencing on the Effective Date. On the third anniversary of the Effective Date and on each subsequent anniversary of the Effective Date, the term of this Agreement automatically shall be extended for a period of one additional year. Notwithstanding the foregoing, the term of this Agreement is subject to termination as provided in Section 13.

3. DUTIES.

A. Employee will serve as President of Teleservices Group or in such other equivalent capacity as may be designated by the President of Employer. Employee will report to the President or Chief Operating Officer of Employer.

B. Employee shall furnish such managerial, executive, financial, technical, and other skills, advice, and assistance in operating Employer and its Affiliates as Employer may reasonably request. For purposes of this Agreement, "Affiliate" means each corporation which is a member of a controlled group of corporations (within the meaning of section 1563(a) of the Internal Revenue Code of 1986, as amended (the "Code")) which includes Employer.

C. Employee shall also perform such other duties as are reasonably assigned to Employee by the President of Employer.

D. Employee shall devote Employee's entire time, attention, and energies to the business of Employer and its Affiliates. The words "entire time, attention, and energies" are intended to mean that Employee shall devote Employee's full effort during reasonable working hours to the business of Employer and its Affiliates and shall devote at least 40 hours per week to the business of Employer and its Affiliates. Employee shall travel to such places as are necessary

in the performance of Employee's duties.

4. COMPENSATION.

A. Employee shall receive a base salary (the "Base Salary") of at least \$305,000 per year, payable not less frequently than monthly, for each year during the term of this Agreement, subject to proration for any partial year. Such Base Salary, and all other amounts payable under this Agreement, shall be subject to withholding as required by law.

B. In addition to Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's regular bonus payment policies. Each year, Employee shall be given a Bonus target, by Employer's Compensation Committee, of not less than \$160,000, subject to proration for a partial year.

C. On at least an annual basis, Employee shall receive a formal performance review and be considered for Base Salary and/or Bonus target increases.

5. EXPENSES. All reasonable and necessary expenses incurred by Employee in the course of the performance of Employee's duties to Employer shall be reimbursable in accordance with Employer's then current travel and expense policies.

6. BENEFITS.

A. While Employee remains in the employ of Employer, Employee shall be entitled to participate in all of the various employee benefit plans and programs, or equivalent plans and programs, set forth in Attachment B.

B. Notwithstanding anything contained herein to the contrary, the Base Salary and Bonuses otherwise payable to Employee shall be reduced by any benefits paid to Employee by Employer under any disability plans made available to Employee by Employer.

C. As of the Effective Date, Employee shall be granted options to purchase 100,000 common shares of Employer under Employer's 1998 Long Term Incentive Plan. In each year of this Agreement after 1998, Employee will be granted stock options under Employer's 1998 Long Term Incentive Plan or any similar plan made available to employees of Employer.

D. As of the Effective Date, Employee shall receive a restricted stock award of 50,000 common shares of Employer. Such award shall be made under Employer's 1998 Long Term Incentive Plan on the terms set forth in Attachment A.

E. In each year of this Agreement after 1998, Employee will be given a long term incentive target under Employer's 1998 Long Term Incentive Plan. In no event will the value of Executive's long term incentives (stock options and performance share targets) for any year, as

determined by Employer's Compensation Committee, be less than \$316,000.

F. As long as Employee remains employed under this Agreement, Employee shall be entitled to participate in Employer's Pension Program.

7. CONFIDENTIALITY. Employer and its Affiliates are engaged in the outsourced customer care industry within the U.S. and world wide. Employee acknowledges that in the course of employment with the Employer, Employee will be entrusted with or obtain access to information proprietary to the Employer and its Affiliates with respect to the following (all of which information is referred to hereinafter collectively as the "Information"); the organization and management of Employer and its Affiliates; the names, addresses, buying habits, and other special information regarding past, present and potential customers, employees and suppliers of Employer and its Affiliates; customer and supplier contracts and transactions or price lists of Employer, its Affiliates and their suppliers; products, services, programs and processes sold, licensed or developed by the Employer or its Affiliates; technical data, plans and specifications, present and/or future development projects of Employer and its Affiliates; financial and/or marketing data

respecting the conduct of present or future phases of business of Employer and its Affiliates; computer programs, systems and/or software; ideas, inventions, trademarks, business information, know-how, processes, improvements, designs, redesigns, discoveries and developments of Employer and its Affiliates; and other information considered confidential by any of the Employer, its Affiliates or customers or suppliers of Employer, its Affiliates. Employee agrees to retain the Information in absolute confidence and not to disclose the Information to any person or organization except as required in the performance of Employee's duties for Employer, without the express written consent of Employer; provided that Employee's obligation of confidentiality shall not extend to any Information which becomes generally available to the public other than as a result of disclosure by Employee.

8. NEW DEVELOPMENTS. All ideas, inventions, discoveries, concepts, trademarks, or other developments or improvements, whether patentable or not, conceived by the Employee, alone or with others, at any time during the term of Employee's employment, whether or not during working hours or on Employer's premises, which are within the scope of or related to the business operations of Employer or its Affiliates ("New Developments"), shall be and remain the exclusive property of Employer. Employee shall do all things reasonably necessary to ensure ownership of such New Developments by Employer, including the execution of documents assigning and transferring to Employer, all of Employee's rights, title and interest in and to such New Developments, and the execution of all documents required to enable Employer to file and obtain patents, trademarks, and copyrights in the United States and foreign countries on any of such New Developments.

9. SURRENDER OF MATERIAL UPON TERMINATION. Employee hereby agrees that upon cessation of Employee's employment, for whatever reason and whether voluntary or involuntary, Employee will immediately surrender to Employer all of the property and other things of value in his possession or in the possession of any person or entity under Employee's control that are the property of Employer or any of its Affiliates, including without any limitation all personal notes, drawings, manuals, documents, photographs, or the like, including copies and derivatives thereof,

relating directly or indirectly to any confidential information or materials or New Developments, or relating directly or indirectly to the business of Employer or any of its Affiliates.

10. REMEDIES.

A. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer, the information disclosed to Employer during and by virtue of Employee's employment, and Employee's commitments and obligations to Employer and its Affiliates herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement by Employee will cause Employer irreparable injury and damage, and consequently the Employer shall be entitled to, in addition to all other remedies available to it, injunctive and equitable relief to prevent a breach of Sections 7, 8, 9, 11 and 12 of this Agreement and to secure the enforcement of this Agreement.

B. Except as provided in Section 10.A., the parties agree to submit to final and binding arbitration any dispute, claim or controversy, whether for breach of this Agreement or for violation of any of Employee's statutorily created or protected rights, arising between the parties that either party would have been otherwise entitled to file or pursue in court or before any administrative agency (herein "claim"), and waives all right to sue the other party.

(i) This agreement to arbitrate and any resulting arbitration award are enforceable under and subject to the Federal Arbitration Act, 9 U.S.C.

Section 1 et seq. ("FAA"). The FAA is held not to apply for reason then Ohio Revised Code Chapter 2711 regarding the enforceability of arbitration agreements and awards will govern this Agreement and the arbitration award.

(ii) (a) All of a party's claims must be presented at a single arbitration hearing. Any claim not raised at the arbitration hearing is waived and released. The arbitration hearing will take place in Cincinnati, Ohio.

(b) The arbitration process will be governed by the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA") except to the extent they are modified by this Agreement.

(c) Employee has had an opportunity to review the AAA rules and the requirements that Employee must pay a filing fee for which the Employer has agreed to split on an equal basis.

(d) The arbitrator will be selected from a panel of arbitrators chosen by the AAA in White Plains, New York. After the filing of a Request for Arbitration, the AAA will send simultaneously to Employer and Employee an identical list of names of five persons chosen from the panel. Each party will have 10 days from the transmittal date in which to strike up to two names, number the remaining names in order of preference and return the list to the AAA.

(e) Any pre-hearing disputes will be presented to the arbitrator for

expeditious, final and binding resolution.

(f) The award of the arbitrator will be in writing and will set forth each issue considered and the arbitrator's finding of fact and conclusions of law as to each such issue.

(g) The remedy and relief that may be granted by the arbitrator to Employee are limited to lost wages, benefits, cease and desist and affirmative relief, compensatory, liquidated and punitive damages and reasonable attorney's fees, and will not include reinstatement or promotion. If the arbitrator would have awarded reinstatement or promotion, but for the prohibition in this Agreement, the arbitrator may award front pay. The arbitrator may assess to either party, or split, the arbitrator's fee and expenses and the cost of the transcript, if any, in accordance with the arbitrator's determination of the merits of each party's position, but each party will bear any cost for its witnesses and proof.

(h) Employer and Employee recognize that a primary benefit each derives from arbitration is avoiding the delay and costs normally associated with litigation. Therefore, neither party will be entitled to conduct any discovery prior to the arbitration hearing except that: (i) Employer will furnish Employee with copies of all non-privileged documents in Employee's personnel file; (ii) if the claim is for discharge, Employee will furnish Employer with records of earnings and benefits relating to Employee's subsequent employment (including self-employment) and all documents relating to Employee's efforts to obtain subsequent employment; (iii) the parties will exchange copies of all documents they intend to introduce as evidence at the arbitration hearing at least 10 days prior to such hearing; (iv) Employee will be allowed (at Employee's expense) to take the depositions, for a period not to exceed four hours each, of two representatives of Employer, and Employer will be allowed (at its expense) to depose Employee for a period not to exceed four hours; and (v) Employer or Employee may ask the arbitrator to grant additional discovery to the extent permitted by AAA rules upon a showing that such discovery is necessary.

(i) [redacted] herein will prevent either party from taking the deposition of any witness where the sole purpose for taking the deposition is to use the deposition in lieu of the witness testifying at the hearing and the witness is, in good faith, unavailable to testify in person at the hearing due to poor health, residency and employment more than 50 miles from the hearing site, conflicting travel plans or other comparable reason.

(iii) Arbitration must be requested in writing no later than 6 months from the date of the party's knowledge of the matter disputed by the claim. A party's failure to initiate arbitration within the time limits herein will be considered a waiver and release by that party with respect to any claim subject to arbitration under this Agreement.

(iv) Employer and Employee consent that judgment upon the arbitration award may be entered in any federal or state court that has jurisdiction.

(v) Except as provided in Section 10.A., neither party will commence or

pursue any litigation on any claim that is or was subject to arbitration under this Agreement.

(vi) All aspects of any arbitration procedure under this Agreement, including the hearing and the record of the proceedings, are confidential and will not be open to the public, except to the extent the parties agree otherwise in writing, or as may be appropriate in any subsequent proceedings between the parties, or as may otherwise be appropriate in response to a governmental agency or legal process.

11. COVENANT NOT TO COMPETE. For purposes of this Section 11 only, the term "Employer" shall mean, collectively, Employer and each of its Affiliates. During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not engage in any business offering services related to the current business of Employer, whether as a principal, partner, joint venturer, agent, employee, salesman, consultant, director or officer, where such position would involve Employee (i) in any business activity in competition with Employer; (ii) in any position with any customer of Employer which involves such customer's billing and/or billing related systems or; or (iii) in any business that provides billing and/or billing related systems to third parties engaged in the communication business (including wireless, wireline and cable communication businesses). This restriction will be limited to the geographical area where Employer is then engaged in such competing business activity or to such other geographical area as a court shall find reasonably necessary to protect the goodwill and business of the Employer.

During the two-year period following termination of Employee's employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee will not interfere with or adversely affect, either directly or indirectly, Employer's relationships with any person, firm, association, corporation or other entity which is known by Employee to be, or is included on any listing to which Employee had access during the course of employment as a customer, client, supplier, consultant or employee of Employer and that Employee will not divert or change, or attempt to divert or change, any such relationship to the detriment of Employer or to the benefit of any other person, firm, association, corporation or other entity.

During the two-year period following termination of Employee's

employment with Employer for any reason (or if this period is unenforceable by law, then for such period as shall be enforceable) Employee shall not, without the prior written consent of Employer, accept employment, as an employee, consultant, or otherwise, with any company or entity which is a customer or supplier of Employer at any time during the final year of Employee's employment with Employer.

Employee will not, during or at any time within three years after the termination of Employee's employment with Employer, induce or seek to induce, any other employee of Employer to terminate his or her employment relationship with Employer.

12. GOODWILL. Employee will not disparage Employer or any of its Affiliates in any way

which could adversely affect the goodwill, reputation and business relationships of Employer or any of its Affiliates with the public generally, or with any of their customers, suppliers or employees. Employer will not disparage Employee.

13. TERMINATION.

A. (i) Employer or Employee may terminate this Agreement upon Employee's failure or inability to perform the services required hereunder because of any physical or mental infirmity for which Employee receives disability benefits under any disability benefit plans made available to Employee by Employer (the "Disability Plans"), over a period of one hundred twenty consecutive working days during any twelve consecutive month period (a "Terminating Disability").

(ii) If Employer or Employee elects to terminate this Agreement in the event of a Terminating Disability, such termination shall be effective immediately upon the giving of written notice by the terminating party to the other.

(iii) Upon termination of this Agreement on account of Terminating Disability, Employer shall pay Employee Employee's accrued compensation hereunder, whether Base Salary, Bonus or otherwise (subject to offset for any amounts received pursuant to the Disability Plans), to the date of termination. For as long as such Terminating Disability may exist, Employee shall continue to be an employee of Employer for all other purposes and Employer shall provide Employee with disability benefits and all other benefits according to the provisions of the Disability Plans and any other Employer plans in which Employee is then participating.

(iv) If the parties elect not to terminate this Agreement upon an event of a Terminating Disability and Employee returns to active employment with Employer prior to such a termination, or if such disability exists for less than one hundred twenty consecutive working days, the provisions of this Agreement shall remain in full force and effect.

B. This Agreement terminates immediately and automatically on the death of the Employee, provided, however, that the Employee's estate shall be paid Employee's accrued compensation hereunder, whether Base Salary, Bonus or otherwise, to the date of death.

C. Employer may terminate this Agreement immediately, upon written notice to Employee, for Cause. For purposes of this Agreement, Employer shall have "Cause" to terminate this Agreement only if Employer's Board of Directors determines that there has been fraud, misappropriation or embezzlement on the part of Employee.

D. Employer may terminate this Agreement immediately, upon written notice to Employee, for any reason other than those set forth in Sections 13.A., B. and C.; provided, however, that Employer shall have no right to terminate under this Section 13.D. within two years after a Change in Control. In the event of a termination by Employer under this Section 13.D., Employer shall, within five days after the termination, pay Employee an amount equal to the greater of (i) two times the sum of the annual Base Salary rate in effect at the time of

termination plus the Bonus target in effect at the time of termination or (ii) if the Current Term is longer than two years, the sum of the Base Salary for the remainder of the Current Term (at the rate in effect at the time of termination) plus the Bonus targets (at the amount in effect at the time of termination) for each calendar year commencing or ending during the remainder of the Current Term (subject to proration in the case of any calendar year ending after the Current Term). For the remainder of the Current Term, Employer shall continue to provide Employee with medical, dental, vision and life insurance coverage comparable to the medical, dental, vision and life insurance coverage in effect for Employee immediately prior to the termination; and, to the extent that Employee would have been eligible for any post-retirement medical, dental, vision or life insurance benefits from Employer if Employee had continued in employment through the end of the Current Term, Employer shall provide such post-retirement benefits to Employee after the end of the Current Term. For purposes of any stock option or restricted stock grant outstanding immediately prior to the termination, Employee's employment with Employer shall not be deemed to have terminated until the end of the Current Term. In addition, Employee shall be entitled to receive, as soon as practicable after termination, an amount equal to the sum of (i) any forfeitable benefits under any qualified or nonqualified pension, profit sharing, 401(k) or deferred compensation plan of Employer or any Affiliate which would have vested prior to the end of the Current Term if Employee's employment had not terminated plus (ii) if Employee is participating in a qualified or nonqualified defined benefit plan of Employer or any Affiliate at the time of termination, an amount equal to the present value of the additional vested benefits which would have accrued for Employee under such plan if Employee's employment had not terminated prior to the end of the Current Term and if Employee's annual Base Salary and Bonus target had neither increased nor decreased after the termination. For purposes of this Section 13.D., "Current Term" means the longer of (i) the two year period beginning at the time of termination or (ii) the unexpired term of this Agreement at the time of the termination, determined as provided in Section 2 but assuming that there is no automatic extension of the Agreement term after the termination. For purposes of this Section 13.D. and Section 13.E., "Change in Control" means a change in control as defined in Employer's 1998 Long Term Incentive Plan.

I. This Agreement shall terminate automatically in the event that there is a Change in Control and either (i) Employee elects to resign within 90 days after the Change in Control or (ii) Employee's employment with Employer is actually or constructively terminated by Employer within two years after the Change in Control for any reason other than those set forth in Sections 13.A., B. and C. For purposes of the preceding sentence, a "constructive" termination of Employee's employment shall be deemed to have occurred if, without Employee's consent, there is a material reduction in Employee's authority or responsibilities or if there is a reduction in Employee's Base Salary or Bonus target from the amount in effect immediately prior to the Change in Control or if Employee is required by Employer to relocate from the city where Employee is residing immediately prior to the Change in Control. In the event of a termination under this Section 13.E., Employer shall pay Employee an amount equal to three times the sum of the annual Base Salary rate in effect at the time of termination plus the Bonus target in effect at the time of termination, all stock options shall become immediately exercisable (and Employee shall be

afforded the opportunity to exercise them), the restrictions applicable to all restricted stock shall lapse and any long term awards shall be paid out at target. For the remainder of the

Current Term, Employer shall continue to provide Employee with medical, dental, vision and life insurance coverage comparable to the medical, dental, vision and life insurance coverage in effect for Employee immediately prior to the termination; and, to the extent that Employee would have been eligible for any post-retirement medical, dental, vision or life insurance benefits from Employer if Employee had continued in employment through the end of the Current Term, Employer shall provide such post-retirement benefits to Employee after the end of the Current Term. Employee's accrued benefit under any nonqualified pension or deferred compensation plan maintained by Employer or any Affiliate shall become immediately vested and nonforfeitable and Employee also shall be entitled to receive a payment equal to the sum of (i) any forfeitable benefits under any qualified pension or profit sharing or 401(k) plan maintained by Employer or any Affiliate plus (ii) if Employee is participating in a qualified or nonqualified defined benefit plan of Employer or any Affiliate at the time of termination, an amount equal to the present value of the additional benefits which would have accrued for Employee under such plan if Employee's employment had not terminated prior to the end of the Current Term and if Employee's annual Base Salary and Bonus target had neither increased nor decreased after the termination. Finally, to the extent that Employee is deemed to have received an excess parachute payment by reason of the Change in Control, Employer shall pay Employee an additional sum sufficient to pay (i) any taxes imposed under section 4999 of the Code plus (ii) any federal, state and local taxes applicable to any taxes imposed under section 4999 of the Code. For purposes of this Section 13.E., "Current Term" means the longer of (i) the three year period beginning at the time of termination or (ii) the unexpired term of this Agreement at the time of the termination, determined as provided in Section 2 but assuming that there is no automatic extension of the Agreement term after the termination.

F. Employee may resign upon 60 days' prior written notice to Employer. In the event of a resignation under this Section 13.F., this Agreement shall terminate and Employee shall be entitled to receive Employee's Base Salary through the date of termination, any Bonus earned but not paid at the time of termination and any other vested compensation or benefits called for under any compensation plan or program of Employer.

G. Employee may retire upon six months' prior written notice to Employer at any time after Employee has attained age 55 and completed at least ten years of service with Employer and its Affiliates. For purposes of the preceding sentence, service with Cincinnati Bell Inc. and its subsidiaries prior to the Effective Date shall be deemed to be service with Employer. In the event of a retirement under this Section 13.G., this Agreement shall terminate and Employee shall be entitled to receive Employee's Base Salary through the date of termination and any Bonus earned but not paid at the time of termination. In addition, Employee shall be entitled to receive any compensation or benefits made available to retirees under Employer's standard policies and programs, including retiree medical and life insurance benefits, a prorated Bonus for the year of termination, and the right to exercise options after retirement.

H. Upon termination of this Agreement as a result of an event of termination described in this Section 13 and except for Employer's payment of the required payments under this Section 13 (including any Base Salary accrued through the date of termination, any Bonus

earned for the year preceding the year in which the termination occurs and any nonforfeitable amounts payable under any employee plan), all further

compensation under this Agreement shall terminate.

I. The termination of this Agreement shall not amend, alter or modify the rights and obligations of the parties under Sections 7, 8, 9, 10, 11, and 12 hereof, the terms of which shall survive the termination of this Agreement.

14. ASSIGNMENT. As this is an agreement for personal services involving a relation of confidence and a trust between Employer and Employee, all rights and duties of Employee arising under this Agreement, and the Agreement itself, are non-assignable by Employee.

15. NOTICES. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing, and if delivered personally or by certified mail to Employee at Employee's place of residence as then recorded on the books of Employer or to Employer at its principal office.

16. WAIVER. No waiver or modification of this Agreement or the terms contained herein shall be valid unless in writing and duly executed by the party to be charged therewith. The waiver by any party hereto of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by such party.

17. GOVERNING LAW. This agreement shall be governed by the laws of the State of Ohio.

18. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Employee's employment by Employer. There are no other contracts, agreements or understandings, whether oral or written, existing between them except as contained or referred to in this Agreement.

19. SEVERABILITY. In case any one or more of the provisions of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or other enforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions have never been contained herein.

20. SUCCESSORS AND ASSIGNS. Subject to the requirements of Paragraph 14 above, this Agreement shall be binding upon Employee, Employer and Employer's successors and assigns.

21. CONFIDENTIALITY OF AGREEMENT TERMS. The terms of this Agreement shall be held in strict confidence by Employee and shall not be disclosed by Employee to anyone other than Employee's spouse, Employee's legal counsel, and Employee's other advisors, unless required by law. Further, except as provided in the preceding sentence, Employee shall not reveal the existence of this Agreement or discuss its terms with any person (including but not limited to any employee of Employer or its Affiliates) without the express authorization of the President of Employer. To the extent that the terms of this Agreement have been disclosed by Employer, in a public filing or otherwise, the confidentiality requirements of this Section 21 shall no longer

apply to such terms.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

CONVERGYS CORPORATION

By: _____

EMPLOYEE

David F. Dougherty

Attachment B

EMPLOYEE BENEFITS

Automobile Allowance	\$850 per month
Cellular Telephone	Yes
Executive Deferred Compensation Plan	Yes
Group Accident Life	\$500,000
Legal/Financial/Insurance Allowance	\$7,500 per year
Parking	Yes
Annual Physical	Yes
Short Term Disability Supplement	Yes
Travel Insurance (Spouse)	\$50,000
Vacation	5 weeks per year

AMENDMENT TO EMPLOYMENT AGREEMENT

The Employment Agreement between Convergys Corporation ("Employer") and David F. Dougherty ("Employee"), made as of the date on which the initial public offering of Employer's common shares was closed, is hereby amended in the following respects:

5. Section 4.A. is hereby amended to read as follows:

A. Employee shall receive a base salary (the "Base Salary") of at least \$360,000 per year, payable not less frequently than monthly, for each year after 1998 during the term of this Agreement, subject to proration for any partial year. Such Base Salary, and all other amounts payable under this Agreement, shall be subject to withholding as required by law.

2. Section 4.B. is hereby amended to read as follows:

B. In addition to the Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's regular bonus payment policies. The Bonus target for the period from August 13, 1998 through December 31, 1998 shall be \$61,808 (\$160,000 on an annualized basis). Each year after 1998, Employee shall be given a minimum Bonus target, by Employer's Compensation Committee, of not less than \$105,000, subject to proration for a partial year.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be

duly executed on December 1998.

CONVERGYS CORPORATION

By: _____

David F. Dougherty

EMPLOYMENT AGREEMENT

This Agreement is made as of the Effective Date between Convergys Corporation, an Ohio corporation ("Employer"), and James F. Orr ("Employee"). For purposes of this Agreement, "Effective Date" means the date on which the initial public offering of Employer's common shares is closed.

Employer and Employee agree as follows:

1. EMPLOYMENT. By this Agreement, Employer and Employee set forth the terms of Employer's employment of Employee on and after the Effective Date. Any prior agreements or understandings with respect to Employee's employment by Employer, including Employee's Employment Agreement with Cincinnati Bell Inc. dated August 19, 1994, are canceled as of the Effective Date.

2. TERM OF AGREEMENT. The term of this Agreement initially shall be the four year period commencing on the Effective Date. On the third anniversary of the Effective Date and on each subsequent anniversary of the Effective Date, the term of this Agreement automatically shall be extended for a period of one additional year. Notwithstanding the foregoing, the term of this Agreement is subject to termination as provided in Section 13.

3. DUTIES.

A. Employee will serve as President and Chief Executive Officer of Employer or in such other equivalent capacity as may be designated by the Board of Directors of Employer. Employee will report to the Board of Directors of Employer.

B. Employee shall furnish such managerial, executive, financial, technical, and other skills, advice, and assistance in operating Employer and its Affiliates as Employer may reasonably request. For purposes of this Agreement, "Affiliate" means each corporation which is a member of a controlled group of corporations (within the meaning of section 1563(a) of the Internal Revenue Code of 1986, as amended (the "Code")) which includes Employer.

C. Employee shall also perform such other duties as are reasonably assigned to Employee by the Board of Directors of Employer.

D. Employee shall devote Employee's entire time, attention, and energies to the

business of Employer and its Affiliates. The words "entire time, attention, and energies" are intended to mean that Employee shall devote Employee's full effort during reasonable working hours to the business of Employer and its Affiliates and shall devote at least 40 hours per week to the business of Employer and its Affiliates. Employee shall travel to such places as are necessary in the performance of Employee's duties.

4. COMPENSATION.

A. Employee shall receive a base salary (the "Base Salary") of at least \$660,000 per year, payable not less frequently than monthly, for each year during the term of this Agreement, subject to proration for any partial year. Such Base Salary, and all other amounts payable under this Agreement, shall be subject to withholding as required by law.

B. In addition to the Base Salary, Employee shall be entitled to receive an annual bonus (the "Bonus") for each calendar year for which services are performed under this Agreement. Any Bonus for a calendar year shall be payable after the conclusion of the calendar year in accordance with Employer's regular bonus payment policies. Each year, Employee shall be given a Bonus target, by Employer's Compensation Committee, of not less than \$429,000, subject to proration for a partial year.

C. On at least an annual basis, Employee shall receive a formal performance review and be considered for Base Salary and/or Bonus target increases.

5. EXPENSES. All reasonable and necessary expenses incurred by Employee in the course of the performance of Employee's duties to Employer shall be reimbursable in accordance with Employer's then current travel and expense policies.

6. BENEFITS.

A. While Employee remains in the employ of Employer, Employee shall be entitled to participate in all of the various employee benefit plans and programs, or equivalent plans and programs, set forth in Attachment B.

B. Notwithstanding anything contained herein to the contrary, the Base Salary and Bonuses otherwise payable to Employee shall be reduced by any benefits paid to Employee by Employer under any disability plans made available to Employee by Employer.

C. As of the Effective Date, Employee shall be granted options to purchase 350,000 common shares of Employer under Employer's 1998 Long Term Incentive Plan. In each year of this Agreement after 1998, Employee will be granted stock options under Employer's 1998 Long Term Incentive Plan or any similar plan made available to employees of Employer.

D. As of the Effective Date, Employee shall receive a restricted stock award of 150,000 common shares of Employer. Such award shall be made under Employer's 1998 Long Term Incentive Plan on the terms set forth in Attachment A.

E. In each year of this Agreement after 1998, Employee will be given a long term incentive target under Employer's 1998 Long Term Incentive Plan. In no event will the value of Executive's long term incentives (stock options and performance share targets) for any year, as determined by Employer's Compensation Committee, be less than \$1,353,000.

F. As long as Employee remains employed under this Agreement, Employee shall be entitled to participate in Employer's Pension Program.

7. CONFIDENTIALITY. Employer and its Affiliates are engaged in the outsourced customer care industry within the U.S. and world wide. Employee acknowledges that in the course of employment with the Employer, Employee will be entrusted with or obtain access to information proprietary to the Employer and its Affiliates with respect to the following (all of which information is referred to hereinafter collectively as the "Information"); the organization and management of Employer and its Affiliates; the names, addresses, buying habits, and other special information regarding past, present and potential customers, employees and suppliers of Employer and its Affiliates; customer and supplier contracts and transactions or price lists of Employer, its Affiliates and their

suppliers; products, service programs and processes sold, licensed or developed by the Employer or its Affiliates; technical data, plans and specifications, present and/or future development projects of Employer and its Affiliates; financial and/or marketing data respecting the conduct of the present or future phases of business of Employer and its Affiliates; computer programs, systems and/or software; ideas, inventions, trademarks, business information, know-how, processes, improvements, designs, redesigns, discoveries and developments of Employer and its Affiliates; and other information considered confidential by any of the Employer, its Affiliates or customers or suppliers of Employer, its Affiliates. Employee agrees to retain the Information in absolute confidence and not to disclose the Information to any person or organization except as required in the performance of Employee's duties for Employer, without the express written consent of Employer; provided that Employee's obligation of confidentiality shall not extend to any Information which becomes generally available to the public other than as a result of disclosure by Employee.

8. NEW DEVELOPMENTS. All ideas, inventions, discoveries, concepts, trademarks, or other developments or improvements, whether patentable or not, conceived by the Employee, alone or with others, at any time during the term of Employee's employment, whether or not during working hours or on Employer's premises, which are within the scope of or related to the business operations of Employer or its Affiliates ("New Developments"), shall be and remain the exclusive property of Employer. Employee shall do all things reasonably necessary to ensure ownership of such New Developments by Employer, including the execution of documents assigning and transferring to Employer, all of Employee's rights, title and interest in and to such New Developments, and the execution of all documents required to enable Employer to file and obtain patents, trademarks, and copyrights in the United States and foreign countries on any of such New Developments.

9. SURRENDER OF MATERIAL UPON TERMINATION. Employee hereby agrees that upon cessation of Employee's employment, for whatever reason and whether voluntary or involuntary, Employee

will immediately surrender to Employer all of the property and other things of value in his possession or in the possession of any person or entity under Employee's control that are the property of Employer or any of its Affiliates, including without any limitation all personal notes, drawings, manuals, documents, photographs, or the like, including copies and derivatives thereof, relating directly or indirectly to any confidential information or materials or New Developments, or relating directly or indirectly to the business of Employer or any of its Affiliates.

10. REMEDIES.

A. Employer and Employee hereby acknowledge and agree that the services rendered by Employee to Employer, the information disclosed to Employee during and by virtue of Employee's employment, and Employee's commitments and obligations to Employer and its Affiliates herein are of a special, unique and extraordinary character, and that the breach of any provision of this Agreement by Employee will cause Employer irreparable injury and damage, and consequently the Employer shall be entitled to, in addition to all other remedies available to it, injunctive and equitable relief to prevent a breach of Sections 7, 8, 9, 11 and 12 of this Agreement and to secure the enforcement of this Agreement.

B. Except as provided in Section 10.A., the parties agree to submit to final and binding arbitration any dispute, claim or controversy, whether for breach of this Agreement or for violation of any of Employee's statutorily created or protected rights, arising between the parties that either party would have been otherwise entitled to file or pursue in court or before any administrative agency (herein "claim"), and waives all right to sue the other

party.

(i) This agreement to arbitrate and any resulting arbitration award are enforceable under and subject to the Federal Arbitration Act, 9 U.S.C. Section 1 et seq. ("FAA"). If the FAA is held not to apply for any reason then Ohio Revised Code Chapter 2711 regarding the enforceability of arbitration agreements and awards will govern this Agreement and the arbitration award.

(ii) (a) All of a party's claims must be presented at a single arbitration hearing. Any claim not raised at the arbitration hearing is waived and released. The arbitration hearing will take place in Cincinnati, Ohio.

(b) The arbitration process will be governed by the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA") except to the extent they are modified by this Agreement.

(c) Employee has had an opportunity to review the AAA rules and the requirements that Employee must pay a filing fee for which the Employer has agreed to split on an equal basis.

(d) The arbitrator will be selected from a panel of arbitrators chosen by the AAA in White Plains, New York. After the filing of a Request for Arbitration, the AAA will send simultaneously to Employer and Employee an identical list of names of five persons chosen

from the panel. Each party will have 10 days from the transmittal date in which to strike up to two names, number the remaining names in order of preference and return the list to the AAA.

(e) Any pre-hearing disputes will be presented to the arbitrator for expeditious, final and binding resolution.

(f) The award of the arbitrator will be in writing and will set forth each issue considered and the arbitrator's finding of fact and conclusions of law as to each such issue.

(g) The remedy and relief that may be granted by the arbitrator to Employee are limited to lost wages, benefits, cease and desist and affirmative relief, compensatory, liquidated and punitive damages and reasonable attorney's fees, and will not include reinstatement or promotion. If the arbitrator would have awarded reinstatement or promotion, but for the prohibition in this Agreement, the arbitrator may award front pay. The arbitrator may assess to either party, or split, the arbitrator's fee and expenses and the cost of the transcript, if any, in accordance with the arbitrator's determination of the merits of each party's position, but each party will bear any cost for its witnesses and proof.

(h) Employer and Employee recognize that a primary benefit each derives from arbitration is avoiding the delay and costs normally associated with litigation. Therefore, neither party will be entitled to conduct any discovery prior to the arbitration hearing except that: (i) Employer will furnish Employee with copies of all non-privileged documents in Employee's personnel file; (ii) if the claim is for discharge, Employee will furnish Employer with records of earnings and benefits relating to Employee's subsequent employment (including self-employment) and all documents relating to Employee's efforts to obtain subsequent employment; (iii) the parties will exchange copies of all documents they intend to introduce as evidence at the arbitration hearing at least 10 days prior to such hearing; (iv) Employee will be allowed (at Employee's expense) to take the depositions, for a period not to exceed four hours each, of two representatives of Employer, and Employer will be allowed (at its expense) to depose Employee for a period not to exceed four hours; and (v) Employer or