

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>CONVERGYS CORPORATION PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1999</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1999</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1999</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>CONVERGYS CORPORATION</u> <u>201 EAST FORTH STREET</u> <u>CINCINNATI, OH 45202</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-1598292</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>513-723-7000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>551112</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-1598292</u>	2c Sponsor's telephone number <u>513-723-7000</u>	2d Business code (see instructions) <u>551112</u>	
2b Employer Identification Number (EIN) <u>31-1598292</u>					
2c Sponsor's telephone number <u>513-723-7000</u>					
2d Business code (see instructions) <u>551112</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2011	JEFF CELESTIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") CONVERGYS CORPORATION 201 EAST FORTH STREET CINCINNATI, OH 45202	3b Administrator's EIN 31-1598292
	3c Administrator's telephone number 513-723-7000

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN	
	4c PN	
5 Total number of participants at the beginning of the plan year	5	11075
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	6377
b Retired or separated participants receiving benefits.....	6b	3221
c Other retired or separated participants entitled to future benefits.....	6c	1
d Subtotal. Add lines 6a , 6b , and 6c	6d	9599
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	183
f Total. Add lines 6d and 6e	6f	9782
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	277
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1C 1G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
(2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
(2) ☐ **I** (Financial Information – Small Plan)
(3) ☐ **A** (Insurance Information)
(4) ☒ **C** (Service Provider Information)
(5) ☐ **D** (DFE/Participating Plan Information)
(6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>CONVERGYS CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>CONVERGYS CORPORATION</u>	D Employer Identification Number (EIN) <u>31-1598292</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>
2	Assets:
a	Market value 2a <u>133598120</u>
b	Actuarial value 2b <u>144170292</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>418</u> <u>25430137</u>
b	For terminated vested participants 3b <u>3273</u> <u>41233899</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>1099257</u>
(2)	Vested benefits 3c(2) <u>124963233</u>
(3)	Total active 3c(3) <u>10075</u> <u>126062490</u>
d	Total 3d <u>13766</u> <u>192726526</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.57</u> %
6	Target normal cost 6 <u>1200000</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>10/17/2011</u>
Signature of actuary	Date
<u>JAMES M. SMITRESKI</u>	<u>11-05064</u>
Type or print name of actuary	Most recent enrollment number
<u>AON HEWITT</u>	<u>732-302-2628</u>
Firm name	Telephone number (including area code)
<u>400 ATRIUM DRIVE</u> <u>5TH FLOOR SOUTH</u> <u>SOMERSET, NJ 08873-4162</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances	(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u>21.10</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>8.18</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	74.80 %
15	Adjusted funding target attainment percentage.....	15	74.80 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	75.81 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV	Contributions and liquidity shortfalls				
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2010	1669416				
07/15/2010	1669416				
10/15/2010	1669416				
01/15/2011	1669416				
07/15/2011	2475359				
			Totals ►	18(b)	9153023
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:			
a	Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	8648780
20 Quarterly contributions and liquidity shortfalls:			
a	Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b	If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c	If 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			0
22 Weighted average retirement age	22			62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	1200000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	40847173	7448780
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	8648780
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	8648780
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	8648780
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan CONVERGYS CORPORATION PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CONVERGYS CORPORATION	D Employer Identification Number (EIN) 31-1598292

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FRANK RUSSELL TRUST CO.

04-3581074

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26	TRUSTEE	695434	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

CONVERGYS CORPORATION

31-1598292

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
24	RECORDKEEPING	82800	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

AON CONSULTING

36-3051915

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARIAL	53311	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>CONVERGYS CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CONVERGYS CORPORATION</u>	D Employer Identification Number (EIN) <u>31-1598292</u>	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	<u>4066610</u>	<u>4171676</u>
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	<u>286489</u>	<u>0</u>
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)	<u>3284457</u>	<u>3516624</u>
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	<u>122570339</u>	<u>126743892</u>
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	3555047	3995804
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	133762942	138427996

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	133762942	138427996
---	-----------	-----------	-----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	9179924	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		9179924

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	16569707	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		16569707
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		25749631

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	19237867	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		19237867
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	136111	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1710599	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1846710
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		21084577

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		4665054
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERST & YOUNG

(2) EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☐ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>CONVERGYS CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CONVERGYS CORPORATION</u>	D Employer Identification Number (EIN) <u>31-1598292</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3 <u>2839</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☒ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☒ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2010
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 73% Investment-Grade Debt: 27% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

A decorative graphic on the left side of the page. It consists of a series of vertical lines of varying heights that form a wedge shape pointing to the right. A bright yellow diagonal band starts from the tip of this wedge and extends towards the top right corner of the page.

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES

Convergys Corporation Pension Plan
Years Ended December 31, 2010 and 2009
With Report of Independent Auditors

Ernst & Young LLP



Convergys Corporation Pension Plan
Financial Statements and Supplemental Schedules
Years Ended December 31, 2010 and 2009

Contents

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Report of Independent Auditors

We were engaged to audit the accompanying statements of net assets available for benefits of the Convergys Corporation Pension Plan as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedules of assets (held at end of year) as of December 31, 2010, and reportable transactions for the year then ended. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by Frank Russell Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2010 and 2009, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the Plan's financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the investment information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ernst & Young LLP

October 7, 2011

Convergys Corporation Pension Plan

Statements of Net Assets Available for Benefits

	December 31	
	2010	2009
Assets		
Investments, at fair value:		
Common/collective trust funds	\$ 126,743,892	\$ 122,570,339
Convergys Corporation common shares	3,995,804	3,555,047
Limited partnership	3,516,624	3,284,457
Total investments	134,256,320	129,409,843
Receivables:		
Receivable for investments sold	—	286,489
Employer contribution	4,171,676	4,066,610
Total receivables	4,171,676	4,353,099
Total assets available for benefits	\$ 138,427,996	\$ 133,762,942

See accompanying notes.

Convergys Corporation Pension Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2010	2009
Additions		
Employer contributions	\$ 9,179,924	\$ 7,264,154
Net appreciation in fair value of investments	<u>16,569,707</u>	<u>25,502,179</u>
Total additions	<u>25,749,631</u>	<u>32,766,333</u>
Deductions		
Benefits paid	19,237,867	13,882,645
Administrative and other expenses	<u>1,846,710</u>	<u>1,835,233</u>
Total deductions	<u>21,084,577</u>	<u>15,717,878</u>
Net increase	4,665,054	17,048,455
Net assets available for benefits at beginning of year	<u>133,762,942</u>	<u>116,714,487</u>
Net assets available for benefits at end of year	<u><u>\$ 138,427,996</u></u>	<u><u>\$ 133,762,942</u></u>

See accompanying notes.

Convergys Corporation Pension Plan

Notes to Financial Statements

December 31, 2010

1. Description of Plan

The following description of the Convergys Corporation Pension Plan (the Plan) provides general information about the Plan's provisions. Convergys Corporation (the Company) is the plan sponsor. Participants should refer to the plan document and summary plan description for a more complete description of the Plan's provisions, copies of which may be obtained from the plan sponsor.

General

The Plan is a non-contributory defined benefit pension plan maintained for eligible employees of the Company and its participating subsidiaries who have attained age 21 and completed one year of service. The Plan is a cash balance pension plan. Subject to satisfaction of the Plan's vesting requirements, benefits are payable when a participant retires, dies, or separates from service. A participant not otherwise eligible for a service or disability pension becomes fully vested after five years of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA)

The Convergys Corporation Pension Plan Committee is responsible for the general administration of the Plan. Frank Russell Trust Company is the trustee of the Plan.

Plan Freeze

During 2008, the Company amended its cash balance plan to cease future benefit accruals and to close participation effective March 31, 2008. After March 31, 2008, participants will not earn future accruals or credits to their cash balance account with respect to compensation earned after March 31, 2008, but will continue to be credited with interest to their cash balance account after March 31, 2008.

Benefits

The Plan is a cash balance plan whereby a participant's accrued benefit is defined as a notional cash balance account. Under the Plan's cash balance formula, a participant's initial cash balance was equal to the participant's cash balance under the Cincinnati Bell Inc. (predecessor) pension plans as of December 31, 1998. Each year, a participant's cash balance is credited with a pension credit (based upon the participant's covered compensation for the year and attained age at the end of the year) and an interest credit. The interest credit for active participants for 2010 and 2009 was calculated at an annualized rate of 4.00%.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

When a participant retires, dies, or separates from service, the cash balance is paid in the form of an annuity or lump sum; however, if a participant has less than three years of service when the participant's employment terminates, the entire benefit is forfeited. A participant's normal retirement age is 65, or the fifth anniversary for a participant who entered the Plan after age 60.

Funding

The Company contributes such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to participants and satisfy the ERISA minimum funding requirements. The Plan has met the ERISA minimum funding requirements for 2010 and 2009.

Administrative Expenses

The Plan incurs administrative expenses directly related to the Plan, which consist primarily of trustee and investment management fees, Pension Benefit Guaranty Corporation (PBGC) fees, and actuarial fees. These expenses are reported on the statements of changes in net assets available for benefits as administrative and other expenses. All other administrative expenses are paid by the Company on behalf of the Plan.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Payment of Benefits

Benefit payments are recorded upon distribution.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion and disclosures related to fair value measurements.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

In accordance with Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, assets and liabilities measured at fair value are categorized into the following fair value hierarchy:

- Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan has the ability to access at the measurement date.
- Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurements and unobservable. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information, some of which may be internally developed.

Purchases and sales of securities are reflected as of the trade date. Realized gains and losses on sales of securities are determined on the basis of average cost. Income from investments, if any, is recorded as earned on an accrual basis.

The Plan presents in the statement of changes in net assets the net appreciation of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. It also represents automatically reinvested dividends and interest from existing funds.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 amended certain of the disclosures required under ASC 820. The guidance in ASU 2010-06 clarifies that disclosures should be presented separately for each “class” of assets and liabilities measured at fair value and provides guidance on how to determine the appropriate classes of assets and liabilities to be presented. ASU 2010-06 also clarifies the requirement for entities to disclose information about both the valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. In addition, ASU 2010-06 introduced new requirements to disclose the amounts (on a gross basis) and reasons for any significant transfers between Levels 1, 2, and 3 of the fair value hierarchy and present information regarding the purchases, sales, issuances, and settlements of Level 3 assets and liabilities on a gross basis. With the exception of the requirement to present changes in Level 3 measurements on a gross basis, which is delayed until 2011, the guidance in ASU 2010-06 is effective for reporting periods beginning after December 15, 2009. Since ASU 2010-06 only affects fair value measurement disclosures, adoption of ASU 2010-06 did not affect the Plan’s net assets available for benefits or its changes in net assets available for benefits.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs*. ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in U.S. generally accepted accounting principles and International Financial Reporting Standards. Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan’s financial statements.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Actuarial Method and Contributions

Contributions by the Company to the Plan are irrevocable. The policy of the Company is to make contributions that are equal to the current period cost of the Plan determined on a going concern basis by an actuarial cost method known as the Aggregate Cost Method. The basic rationale of this method is to contribute a level percentage of basic payroll for current active employees during their remaining working lives such that future contributions, plus the present trust funds, plus the future investment earnings, are predicted to be just sufficient to pay all future benefits expected to become payable from the funds to current employees and pensioners and their future beneficiaries, persons separated with deferred vested pensions, and annuitants. This method is an acceptable actuarial cost method under ERISA.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 7) represent the actuarial present value of estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits are based on the cash balance accounts or the transition benefits for certain employees. Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included, to the extent they are deemed attributable to employee services rendered to the valuation date. The accumulated plan benefits for active employees are based on census data as of January 1 of the applicable year.

Subsequent Events

Management evaluated subsequent events for the Plan through October 7, 2011, the date the financial statements were available to be issued. In June 2011, Convergys Corporation approved an amendment to the Plan to eliminate certain death benefits provided by the Plan. This amendment only impacts future payments and, therefore, did not impact the financial statements of the Plan or the accumulated benefit obligations of the Plan as of December 31, 2010.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedules. Actual results could differ from those estimates.

3. Investments

All investment information for the Plan disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2010 and 2009, and net appreciation in the fair value of investments, interest and dividends for the years ended December 31, 2010 and 2009, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by the Plan's trustee in the respective years.

The fair values of individual investments that represent 5% or more of the Plan's net assets available for benefits at December 31 are as follows:

	2010	2009
Common/collective trust funds:		
Russell Fixed Income I Fund	\$ 40,032,069	\$ 39,625,119
Russell Large Cap Str. Equity Fund	25,878,894	25,002,778
Russell Equity I Fund	25,973,296	24,844,952
Russell International Fund	25,007,172	23,685,489
Russell Equity II Fund	9,852,396	9,411,956

During 2010 and 2009, the Plan's investments (including investments bought, sold, as well as held during the year) appreciated (depreciated) in fair value as follows:

	2010	2009
Common/collective trust funds	\$ 15,108,853	\$ 22,884,001
Convergys Corporation common stock	1,037,946	2,714,202
Limited partnership	422,908	(96,024)
Total	\$ 16,569,707	\$ 25,502,179

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

4. Fair Value Measurements

Fair value is defined under ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. As such, the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described below:

- Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.
- Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:
 - Quoted prices for similar assets and liabilities in active markets
 - Quoted prices for identical or similar assets or liabilities in markets that are not active
 - Observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means
- Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest-level input that is significant to the fair value measure in its entirety.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

Following is a description of the valuation methodologies used for major categories of assets and liabilities measured at fair value.

- *Common/collective trust funds:* The fair value of the investments in the common/collective trust is determined by the fund trustee based on the fair value of the underlying securities within the fund, which represent the net asset value of the shares held by the Plan at year-end.
- *Convergys Corporation common stock:* The fair value is based on observable market quotations and is valued at the closing price reported on the New York Stock Exchange, the active market on which Convergys Corporation common stock is traded.
- *Limited partnership:* The limited partnership primarily invests in domestic early stage capital funds. The fair value of this investment has been estimated using the net asset value per share of the fund as of December 31, 2010 and 2009. Accordingly, the investment is classified in Level 3 of the fair value hierarchy. The Plan has no future funding commitments associated with this investment. The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuations methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value on a recurring basis as of December 31:

Investments	2010			
	Total	Level 1	Level 2	Level 3
Common/collective trust funds:				
Russell Equity I Fund	\$ 25,973,296	\$ —	\$ 25,973,296	\$ —
Russell International Fund	25,007,172	—	25,007,172	—
Russell Equity II Fund	9,852,396	—	9,852,396	—
Russell Fixed Income Fund	40,032,069	—	40,032,069	—
Russell LG CAP STR Equity Fund	25,878,894	—	25,878,894	—
Russell STIF	65	—	65	—
Convergys Corporation common stock	3,995,804	3,995,804	—	—
Limited partnership	3,516,624	—	—	3,516,624
Total investments	<u>\$ 134,256,320</u>	<u>\$ 3,995,804</u>	<u>\$ 126,743,892</u>	<u>\$ 3,516,624</u>

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

Investments	2009			
	Total	Level 1	Level 2	Level 3
Common/collective trust funds:				
Russell Equity I Fund	\$ 24,844,952	\$ —	\$ 24,844,952	\$ —
Russell International Fund	23,685,489	—	23,685,489	—
Russell Equity II Fund	9,411,956	—	9,411,956	—
Russell Fixed Income Fund	39,625,119	—	39,625,119	—
Russell LG CAP STR Equity Fund	25,002,778	—	25,002,778	—
Russell STIF	45	—	45	—
Convergys Corporation common stock	3,555,047	3,555,047	—	—
Limited partnership	3,284,457	—	—	3,284,457
Total investments	<u>\$ 129,409,843</u>	<u>\$ 3,555,047</u>	<u>\$ 122,570,339</u>	<u>\$ 3,284,457</u>

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets:

	Year Ended December 31	
	2010	2009
Balance, beginning of year	\$ 3,284,457	\$ 4,086,108
Unrealized gains (losses) relating to instruments still held at the reporting date	422,908	(96,025)
Purchases, sales, issuances, and settlements (net)	(190,741)	(705,626)
Balance, end of year	<u>\$ 3,516,624</u>	<u>\$ 3,284,457</u>

5. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated May 5, 2009, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

5. Income Tax Status (continued)

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

6. Termination Priorities

Although it has not expressed an intention to do so, the Company reserves the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Upon termination, the net assets of the Plan will be allocated for payment to the participants in an order of priority as prescribed by ERISA and its related regulations and the plan document.

If the Plan were terminated, all participants' accrued benefits would become fully vested and non-forfeitable and would be distributed to them. In the event of termination, assets will be allocated and applied in the following order: (1) to provide certain minimum benefits to each active participant, retired participant, and beneficiary; (2) to assure continuation of benefits payable to retired participants and beneficiaries of deceased participants; (3) to provide retirement benefits for active participants who reached their normal retirement date on or before the termination date; (4) to provide retirement benefits for active participants who have been credited with 10 years of vesting service and who have attained age 55 on or before the date of termination; and (5) to provide for the satisfaction of all other liabilities under the Plan. Any assets remaining after satisfaction of all liabilities shall be paid to the Company.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated plan benefits and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC as well as the priority of those benefits. Some benefits may be fully or partially provided for by the then-existing net assets of the Plan and the PBGC guarantee, while other benefits may not be provided for at all.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

7. Actuarial Present Value of Accumulated Plan Benefits

The Plan's actuary estimated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The actuarial present value of accumulated plan benefits as of the beginning of the year is as follows:

	January 1, 2010
Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving payments	\$ 22,041,321
Other participants	137,450,729
	<u>159,492,050</u>
Non-vested benefits	704,681
Total	<u><u>\$ 160,196,731</u></u>

The change in actuarial present value of accumulated plan benefits are as follows:

	January 1, 2010
Actuarial present value of accumulated plan benefits for the prior year	\$ 166,235,490
(Decrease) increase during the year attributed to:	
Benefits accumulated	(5,696,118)
Interest	13,540,004
Benefits paid	<u>(13,882,645)</u>
Net decrease	<u>(6,038,759)</u>
Actuarial present value of accumulated plan benefits	<u><u>\$ 160,196,731</u></u>

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

7. Actuarial Present Value of Accumulated Plan Benefits (continued)

Significant assumptions underlying the actuarial computations are:

Assumed rate of return on investments	8.00% (8.00% in 2009)
Discount rate	5.75% (6.25% in 2009)

Retirement	Age	Rate
	Under 55	2%
	55-69	6%
	60	10%
	61	12%
	62-64	21%
	65	33%
	66-69	24%
	70	100%

Mortality basis	RP-2000 Mortality Table
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These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that those changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Convergys Corporation Pension Plan

Notes to Financial Statements (continued)

9. Related-Party Transactions

Certain of the Plan's assets are invested in funds managed by the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transaction rules under ERISA.

Supplemental Schedules

Convergys Corporation Pension Plan

EIN #31-1598292 Plan #001

Schedule H, Line 4i – Schedule of Assets (Held At End of Year)

December 31, 2010

Identity of Party Involved and Description of Asset	Number of Shares	Cost	Current Value
Common/collective trust funds:			
* Russell Fixed Income I Fund	1,162,709	\$ 31,951,743	\$ 40,032,069
* Russell Large Cap Str. Equity Fund	2,474,082	23,446,426	25,878,894
* Russell Equity I Fund	555,460	22,232,202	25,973,296
* Russell International Fund	551,183	20,385,160	25,007,172
* Russell Equity II Fund	151,412	7,409,388	9,852,396
* Russell STIF	65	65	65
		105,424,984	126,743,892
Common shares:			
* Convergys Corporation Common Shares	303,402	6,636,919	3,995,804
Limited partnership:			
Tri-State Growth Capital Fund I L.P.	3,414,944	3,414,944	3,516,624
Total Investments		<u>\$ 115,476,847</u>	<u>\$ 134,256,320</u>

* Party in interest

Convergys Corporation Pension Plan

EIN #31-1598292 Plan #001

Schedule H, Line 4j – Schedule of Reportable Transactions

December 31, 2010

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain
Category (iii) – Series of transactions in excess of 5% of plan assets						
Russell STIF	Interest bearing cash					
Russell Fixed Income I Fund	Common/collective trusts	\$ 5,465,580	\$ 8,890,138	\$ 7,184,272	\$14,355,718	\$ 1,705,866
Russell International Fund	Common/collective trusts	3,080,782	4,190,999	3,864,059	7,271,781	326,940
		<u>\$ 8,546,362</u>	<u>\$13,081,137</u>	<u>\$11,048,331</u>	<u>\$21,627,499</u>	<u>\$ 2,032,806</u>

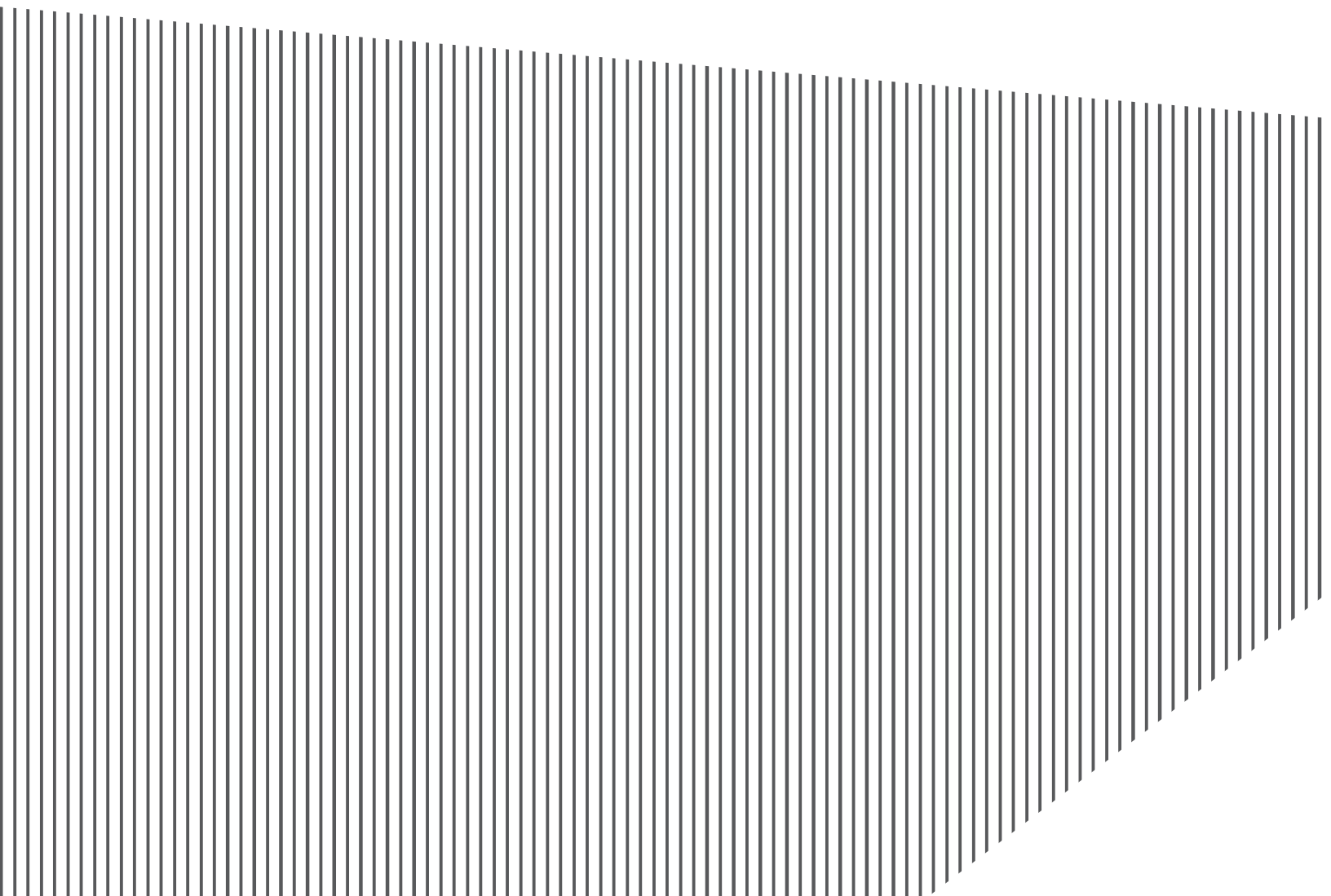
There were no category (i), (ii), or (iv) transactions during 2010.

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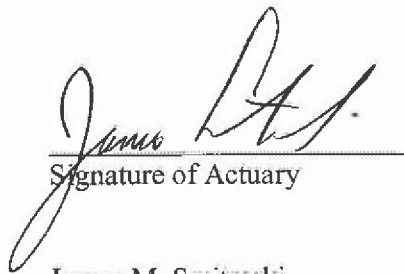
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Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

SCHEDULE SB - STATEMENT BY ENROLLED ACTUARY

In making this certification, I have relied, as permitted under Sec. 103(a) (4) (D) of ERISA, on the correctness of the asset values and contribution information supplied by the plan administrator, on which the qualified public accountant engaged by the Plan has expressed an opinion. I have also relied on the correctness of the participant data supplied by the plan administrator. These items would customarily not be verified by the actuary. I have reviewed, and applied certain reasonableness and consistency checks to, the information furnished and I have no reason to doubt its substantial accuracy.



Signature of Actuary

James M. Smitreski

Name of Actuary

8-28-11

Date

11-05064

Enrollment Number

Aon Hewitt
400 Atrium Drive
5th Floor South
Somerset, NJ 08873
Address

(732)-302-2628
Telephone Number

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

► Round off amounts to nearest dollar.

► Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan CONVERGYS CORPORATION PENSION PLAN	B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CONVERGYS CORPORATION	D Employer Identification Number (EIN) 31-1598292
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value	2a		133,598,120
b Actuarial value	2b		144,170,292
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	418	25,430,137
b For terminated vested participants	3b	3,273	41,233,899
c For active participants:			
(1) Non-vested benefits	3c(1)		1,099,257
(2) Vested benefits	3c(2)		124,963,233
(3) Total active	3c(3)	10,075	126,062,490
d Total	3d	13,766	192,726,526
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.57 %	
6 Target normal cost	6	1,200,000	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary JAMES M. SMITRESKI Type or print name of actuary AON HEWITT Firm name 400 ATRIUM DRIVE 5TH FLOOR SOUTH SOMERSET NJ 08873-4162 Address of the firm	<u>9-28-2011</u> Date 11-05064 Most recent enrollment number (732) 302-2628 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8)	0	0
10 Interest on item 9 using prior year's actual return of <u>21.10</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>8.18</u> %		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		
12 Reduction in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14 Funding target attainment percentage	14	74.80 %
15 Adjusted funding target attainment percentage	15	74.80 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	75.81 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2010	1,669,416				
07/15/2010	1,669,416				
10/15/2010	1,669,416				
01/15/2011	1,669,416				
07/15/2011	2,475,359				
Totals ▶			18(b)	9,153,023	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	8,648,780

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

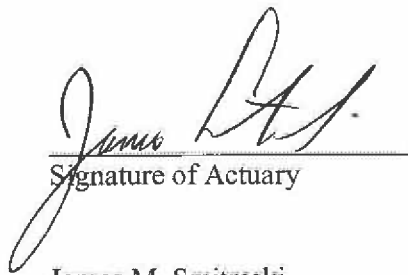
Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	1,200,000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	40,847,173	7,448,780
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	8,648,780
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	8,648,780
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c)	37	8,648,780
38 Interest adjusted excess contributions for current year (see instructions)	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

SCHEDULE SB - STATEMENT BY ENROLLED ACTUARY

In making this certification, I have relied, as permitted under Sec. 103(a) (4) (D) of ERISA, on the correctness of the asset values and contribution information supplied by the plan administrator, on which the qualified public accountant engaged by the Plan has expressed an opinion. I have also relied on the correctness of the participant data supplied by the plan administrator. These items would customarily not be verified by the actuary. I have reviewed, and applied certain reasonableness and consistency checks to, the information furnished and I have no reason to doubt its substantial accuracy.



Signature of Actuary

James M. Smitreski

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8-28-11

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Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

General Information

Original Effective Date:	January 1, 1999
Effective Date of Last Amendment:	April 1, 2008
Plan Year:	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st

Eligibility

All employees who have reached age 21 with one year of service participate in the Plan. Effective April 1, 2008, any employee who has not reached age 21 with one year of service as of March 31, 2008 shall not be eligible to participate in the plan.

Cash Balance Accounts

Initial Balance: Transferred from the CBMPP or CBPP as of December 31, 1998.

Interest Credits: Interest credits are added to all accounts annually. The interest crediting rates for active employees for 2010 and thereafter is 4.00%.

Pension Credits: Each year, pension credits will be added to the accounts of all active participants based on age, compensation and the Social Security Wage Base. Starting in 2007, the schedule of credits was reduced and is as follows:

<u>Age*</u>	<u>Pension Credit for All Pay</u>	<u>Additional Credit for Pay in Excess of the Social Security Wage Base**</u>
under 30	2.00%	1.000%
30 to 34	2.25%	1.125%
35 to 39	2.50%	1.250%
40 to 44	3.25%	1.625%
45 to 49	4.00%	2.000%
50 to 54	5.00%	2.500%
55 and Over	6.00%	3.000%

After March 31, 2008, there are no more pension credits.

* Age is determined as of December 31 of each calendar year

** The Social Security Wage Base for 2010 is \$106,800

Compensation for Pension Credit: For all participants, pension credits are based on compensation including bonuses.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Transition Benefits

Eligibility: Participants who were IMG employees as of 12/31/93 and either completed 20 years of service as of 12/31/93 or whose sum of attained age and years of service as of 12/31/93 equals at least 65 are eligible for transition benefits.

Benefit: The transition benefit is determined by multiplying the average annual base salary for the five-year period ending on the date of termination or retirement by the total number of years of service at that date and 1.6%. No future accruals will be granted under this formula beyond 1998. Bonuses are not included as pensionable compensation for this purpose.

There is also a frozen minimum accrued benefit as of March 31, 1995 under this transition benefit formula that added five years to the total number of years of service as of March 31, 1995 and five years to the actual attained age as of March 31, 1995 provided the employee would have been eligible to retire with such additions, was an active vested participant in the Plan as of April 1, 1995 and was a first, second or District level manager (or the equivalent).

Normal Retirement

Eligibility: A participant's normal retirement age is age 65, or the fifth anniversary for a participant who enters the Plan after age 60.

Benefit: The monthly retirement benefit payable to a participant at any retirement date is equal to the actuarial equivalent of his cash balance account as of such date or the transition annuity benefit, if greater.

Forms of Benefit: The normal form of benefit for non-married participants is a level life annuity. For married participants, the normal form of benefit is a qualified 50% joint and survivor annuity. In either case, the normal form of benefit is the actuarial equivalent of the participant's account balance or the transition annuity benefit, if greater. As an optional form of benefit, participants can receive their benefit as a lump sum distribution on an actuarial equivalent basis.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Disability & Service Pensions

Eligibility: Disability pensions are provided to employees who were active on December 31, 1993 and subsequently become disabled with at least 15 years of service. Service pensions are provided to a retired employee when the following conditions are met:

<u>Age</u>		<u>Minimum Years of Service</u>
60	and	10
55	and	20 (transition employees only)
50	and	25 (transition employees only)
Any Age	and	30

Benefit: The monthly retirement benefit payable to a participant at any retirement date is equal to the actuarial equivalent of his cash balance account as of such date or the transition annuity benefit (reduced for early retirement), if greater.

For transition benefit purposes, the benefit is reduced by 0.5% for each calendar month by which the employee's age at retirement is less than 55 years unless the employee has 30 or more years of service or is granted a disability pension. If the employee has 30 or more years of service, the pension amount is reduced by .25% for each calendar month by which the employee's age at retirement is less than 55. There is no reduction for employees on a disability pension. The early retirement reductions which apply to the frozen minimum accrued benefit as of March 31, 1995 are based on the greater of age and service at retirement, or age plus five as of March 31, 1995 and service plus five as of March 31, 1995.

Vesting

Eligibility: 5 years of service and not eligible for a service or disability pension.

Benefit: Upon termination of employment, a vested participant may elect to receive an immediate benefit which is the actuarial equivalent of his cash balance account (adjusted for applicable transition benefits). If immediate distribution is not requested, the participant may elect to defer receipt of his benefit and receive interest credits on the cash balance account at a rate of 3.5% (4% if survivor coverage is waived).

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Death Benefits

Eligibility: 5 years of service

Benefit: The greater of (1) or (2), plus (3)

The actuarial equivalent of the participant's cash balance account as of the date of death.

The transition benefit for a surviving spouse of an active employee who dies with at least five years but less than fifteen years of service is equal to 44% of the transition benefit amount accrued to the date of death with payments to the surviving spouse beginning at the time the deceased employee would have attained age 65. For a surviving spouse of an active employee who dies with at least fifteen years of service, the transition benefit is equal to 45% of the pension amount accrued to the date of death with payments commencing immediately without an early retirement discount

In addition, all IMG and Corporate service and disability retirements before December 31, 2000 that were hired before January 1, 1991 are entitled to a special postretirement death benefit. The benefit is payable to certain mandatory beneficiaries and is equal to one year's pay in effect at the earlier of December 31, 1993 or retirement. Effective December 31, 2000, the preretirement and postretirement one-times pay death benefit for eligible active employees as of December 31, 2000 was transferred to the Group Life Plan.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Cost Method

Funding: PPA Method

Accrued benefits payable in the event of death, termination, disability, or retirement were determined for all active participants. The target normal cost is equal to the actuarial present value of the benefits accrued in the current year and the target liability is equal to the actuarial present value of the benefits accrued in years prior to the current year.

The target liability for inactive participants under this cost method is determined as the actuarial present value of the benefits expected to be paid. These participants include retired participants and their beneficiaries currently receiving benefits and terminated vested participants not yet receiving benefits. No target normal costs are now payable with respect to these participants.

Asset Method

Funding: The Actuarial Value of Assets is determined by using a 3-year moving average of assets gains and losses. The actual investment return in excess of, or short of, the expected return is recognized at the rate of 33 1/3% per year until fully recognized after 3 years. The Actuarial Value of Assets may not exceed 110% of market value, nor may be less than 90% of market value.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Interest and Other Rate Assumptions

Below is a summary of interest and other rate assumptions used for the January 1, 2010 valuation.

Interest Rates		Assumption
(1)	Target Liability and Normal Cost (by Segment)	
(a)	Liabilities Due within 5 Years	4.60%
(b)	Liabilities Due in 5 to 20 Years	6.65%
(c)	Liabilities Due in More than 20 Years	6.76%
(d)	Funding Effective Interest Rate	6.57%

Other Rates		Assumption
(2)	Future Salaries	N/A (Frozen Plan)
(3)	417(e) Lump Sum Conversion Rates	Same as Target Liability Rates

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Decrement Assumptions

Below is a summary of decrements used in this valuation.

Mortality Decrements:

RP-2000 (IRS PPA at 2010) Static Annuitant/Non-Annuitant Mortality Table

Retirement Decrements:

Decrement	
Age	Rates
< 55	2%
55 – 59	6%
60	10%
61	12%
62 – 64	21%
65	33%
66 – 69	24%
70	100%

Termination Decrements:

Years of Service	IMG/Corp	CMG
0	12.00%	100.0%
1	12.00%	45.0%
2	8.50%	38.0%
3	8.50%	29.0%
4	8.50%	24.0%
5 – 7	6.50%	20.0%
8	4.50%	20.0%
9 – 11	4.50%	11.0%
12 – 14	3.50%	10.0%
15 – 17	2.75%	10.0%
18+	2.50%	10.0%

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Expenses

Administrative expenses will be paid by the employer.

Form of Benefit Payment

30% of retirements are assumed to elect an annuity, the remaining 70% of retirements are assumed to elect a lump sum.

Of those choosing an annuity, 70% of males and 10% of females are assumed to elect a 50% J&S annuity. Males are assumed to be 3 years older than their spouses.

Upon death and termination, 100% of participants are assumed to elect lump sum distributions.

For one-times pay death benefits, 60% of males and 15% of females are assumed to have a mandatory beneficiary at death.

Sources of Data

Participant Data: The primary source of participant data for the current valuation is a census of all participants as of January 1, 2010 which was provided by Convergys Corporation.

Asset Data: Asset amounts were derived from the trustee (Frank Russell) reports provided by Convergys Corporation. The assets have been reviewed for reasonableness and are assumed to be appropriate for valuation purposes.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, line 22 – Description of Weighted Average Retirement Age

Decrement Age	Rates
55 – 59	6%
60	10%
61	12%
62 – 64	21%
65	33%
66 – 69	24%
70	100%

Line 22 weighted average retirement age: 62

The average retirement age was calculated by taking a weighted average of lives expected to retire from ages 55 to 70, weighted by age, taking into account retirement rates at those ages.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, line 25 - Change in Method

- (1) Effective with the January 1, 2010 funding valuation, there was a change in the effective interest rate basis to use the January 2010 segment rates.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Line 26 - Schedule of Active Participant Data

Attained Age	Years of Credited Service											
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up		
	No	Average Cash Bal	No	Average Cash Bal	No	Average Cash Bal	No	Average Cash Bal	No	Average Cash Bal	No	Average Cash Bal
Under 25	-	375	779	75	1,595	-	-	-	-	-	-	-
25 to 29	-	769	954	665	2,592	46	5,300	-	-	-	-	-
30 to 34	-	513	1,348	675	4,018	257	7,089	18	-	-	-	-
35 to 39	-	414	1,991	521	6,438	356	12,207	89	15,142	12	-	-
40 to 44	-	302	2,211	382	8,758	302	17,231	139	29,624	91	47,183	5
45 to 49	-	259	3,328	405	11,098	273	23,628	140	39,024	172	63,872	40
50 to 54	-	264	3,164	360	13,584	234	25,769	113	61,166	97	65,930	45
55 to 59	-	239	3,409	275	12,907	207	28,926	82	35,452	66	67,328	29
60 to 64	-	134	4,261	161	13,619	118	26,477	42	42,563	29	42,851	21
65 to 69	-	37	3,185	50	11,855	40	30,077	13	-	2	-	5
70 & up	-	9	-	13	-	16	-	8	-	5	-	1

Note: The plan is hard frozen and as result, compensation was not provided. The average cash balance account data should satisfy the average annual accrued benefit requirement.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Remaining Installments	Valuation Date Established	Years Remaining in Amortization Period	Amortization Installment
Shortfall	\$29,053,038	01/01/2009	6	\$5,477,664
Shortfall	\$11,794,135	01/01/2010	7	\$1,971,116
	\$40,847,173			\$7,448,780

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Cost Method

Funding: PPA Method

Accrued benefits payable in the event of death, termination, disability, or retirement were determined for all active participants. The target normal cost is equal to the actuarial present value of the benefits accrued in the current year and the target liability is equal to the actuarial present value of the benefits accrued in years prior to the current year.

The target liability for inactive participants under this cost method is determined as the actuarial present value of the benefits expected to be paid. These participants include retired participants and their beneficiaries currently receiving benefits and terminated vested participants not yet receiving benefits. No target normal costs are now payable with respect to these participants.

Asset Method

Funding: The Actuarial Value of Assets is determined by using a 3-year moving average of assets gains and losses. The actual investment return in excess of, or short of, the expected return is recognized at the rate of 33 1/3% per year until fully recognized after 3 years. The Actuarial Value of Assets may not exceed 110% of market value, nor may be less than 90% of market value.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Interest and Other Rate Assumptions

Below is a summary of interest and other rate assumptions used for the January 1, 2010 valuation.

Interest Rates		Assumption
(1)	Target Liability and Normal Cost (by Segment)	
(a)	Liabilities Due within 5 Years	4.60%
(b)	Liabilities Due in 5 to 20 Years	6.65%
(c)	Liabilities Due in More than 20 Years	6.76%
(d)	Funding Effective Interest Rate	6.57%

Other Rates		Assumption
(2)	Future Salaries	N/A (Frozen Plan)
(3)	417(e) Lump Sum Conversion Rates	Same as Target Liability Rates

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Decrement Assumptions

Below is a summary of decrements used in this valuation.

Mortality Decrements:

RP-2000 (IRS PPA at 2010) Static Annuitant/Non-Annuitant Mortality Table

Retirement Decrements:

Decrement	
Age	Rates
< 55	2%
55 – 59	6%
60	10%
61	12%
62 – 64	21%
65	33%
66 – 69	24%
70	100%

Termination Decrements:

Years of Service	IMG/Corp	CMG
0	12.00%	100.0%
1	12.00%	45.0%
2	8.50%	38.0%
3	8.50%	29.0%
4	8.50%	24.0%
5 – 7	6.50%	20.0%
8	4.50%	20.0%
9 – 11	4.50%	11.0%
12 – 14	3.50%	10.0%
15 – 17	2.75%	10.0%
18+	2.50%	10.0%

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Expenses

Administrative expenses will be paid by the employer.

Form of Benefit Payment

30% of retirements are assumed to elect an annuity, the remaining 70% of retirements are assumed to elect a lump sum.

Of those choosing an annuity, 70% of males and 10% of females are assumed to elect a 50% J&S annuity. Males are assumed to be 3 years older than their spouses.

Upon death and termination, 100% of participants are assumed to elect lump sum distributions.

For one-times pay death benefits, 60% of males and 15% of females are assumed to have a mandatory beneficiary at death.

Sources of Data

Participant Data: The primary source of participant data for the current valuation is a census of all participants as of January 1, 2010 which was provided by Convergys Corporation.

Asset Data: Asset amounts were derived from the trustee (Frank Russell) reports provided by Convergys Corporation. The assets have been reviewed for reasonableness and are assumed to be appropriate for valuation purposes.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

General Information

Original Effective Date:	January 1, 1999
Effective Date of Last Amendment:	April 1, 2008
Plan Year:	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st

Eligibility

All employees who have reached age 21 with one year of service participate in the Plan. Effective April 1, 2008, any employee who has not reached age 21 with one year of service as of March 31, 2008 shall not be eligible to participate in the plan.

Cash Balance Accounts

Initial Balance: Transferred from the CBMPP or CBPP as of December 31, 1998.

Interest Credits: Interest credits are added to all accounts annually. The interest crediting rates for active employees for 2010 and thereafter is 4.00%.

Pension Credits: Each year, pension credits will be added to the accounts of all active participants based on age, compensation and the Social Security Wage Base. Starting in 2007, the schedule of credits was reduced and is as follows:

<u>Age*</u>	<u>Pension Credit for All Pay</u>	<u>Additional Credit for Pay in Excess of the Social Security Wage Base**</u>
under 30	2.00%	1.000%
30 to 34	2.25%	1.125%
35 to 39	2.50%	1.250%
40 to 44	3.25%	1.625%
45 to 49	4.00%	2.000%
50 to 54	5.00%	2.500%
55 and Over	6.00%	3.000%

After March 31, 2008, there are no more pension credits.

* Age is determined as of December 31 of each calendar year

** The Social Security Wage Base for 2010 is \$106,800

Compensation for Pension Credit: For all participants, pension credits are based on compensation including bonuses.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Transition Benefits

Eligibility: Participants who were IMG employees as of 12/31/93 and either completed 20 years of service as of 12/31/93 or whose sum of attained age and years of service as of 12/31/93 equals at least 65 are eligible for transition benefits.

Benefit: The transition benefit is determined by multiplying the average annual base salary for the five-year period ending on the date of termination or retirement by the total number of years of service at that date and 1.6%. No future accruals will be granted under this formula beyond 1998. Bonuses are not included as pensionable compensation for this purpose.

There is also a frozen minimum accrued benefit as of March 31, 1995 under this transition benefit formula that added five years to the total number of years of service as of March 31, 1995 and five years to the actual attained age as of March 31, 1995 provided the employee would have been eligible to retire with such additions, was an active vested participant in the Plan as of April 1, 1995 and was a first, second or District level manager (or the equivalent).

Normal Retirement

Eligibility: A participant's normal retirement age is age 65, or the fifth anniversary for a participant who enters the Plan after age 60.

Benefit: The monthly retirement benefit payable to a participant at any retirement date is equal to the actuarial equivalent of his cash balance account as of such date or the transition annuity benefit, if greater.

Forms of Benefit: The normal form of benefit for non-married participants is a level life annuity. For married participants, the normal form of benefit is a qualified 50% joint and survivor annuity. In either case, the normal form of benefit is the actuarial equivalent of the participant's account balance or the transition annuity benefit, if greater. As an optional form of benefit, participants can receive their benefit as a lump sum distribution on an actuarial equivalent basis.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Disability & Service Pensions

Eligibility: Disability pensions are provided to employees who were active on December 31, 1993 and subsequently become disabled with at least 15 years of service. Service pensions are provided to a retired employee when the following conditions are met:

<u>Age</u>		<u>Minimum Years of Service</u>
60	and	10
55	and	20 (transition employees only)
50	and	25 (transition employees only)
Any Age	and	30

Benefit: The monthly retirement benefit payable to a participant at any retirement date is equal to the actuarial equivalent of his cash balance account as of such date or the transition annuity benefit (reduced for early retirement), if greater.

For transition benefit purposes, the benefit is reduced by 0.5% for each calendar month by which the employee's age at retirement is less than 55 years unless the employee has 30 or more years of service or is granted a disability pension. If the employee has 30 or more years of service, the pension amount is reduced by .25% for each calendar month by which the employee's age at retirement is less than 55. There is no reduction for employees on a disability pension. The early retirement reductions which apply to the frozen minimum accrued benefit as of March 31, 1995 are based on the greater of age and service at retirement, or age plus five as of March 31, 1995 and service plus five as of March 31, 1995.

Vesting

Eligibility: 5 years of service and not eligible for a service or disability pension.

Benefit: Upon termination of employment, a vested participant may elect to receive an immediate benefit which is the actuarial equivalent of his cash balance account (adjusted for applicable transition benefits). If immediate distribution is not requested, the participant may elect to defer receipt of his benefit and receive interest credits on the cash balance account at a rate of 3.5% (4% if survivor coverage is waived).

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Death Benefits

Eligibility: 5 years of service

Benefit: The greater of (1) or (2), plus (3)

The actuarial equivalent of the participant's cash balance account as of the date of death.

The transition benefit for a surviving spouse of an active employee who dies with at least five years but less than fifteen years of service is equal to 44% of the transition benefit amount accrued to the date of death with payments to the surviving spouse beginning at the time the deceased employee would have attained age 65. For a surviving spouse of an active employee who dies with at least fifteen years of service, the transition benefit is equal to 45% of the pension amount accrued to the date of death with payments commencing immediately without an early retirement discount

In addition, all IMG and Corporate service and disability retirements before December 31, 2000 that were hired before January 1, 1991 are entitled to a special postretirement death benefit. The benefit is payable to certain mandatory beneficiaries and is equal to one year's pay in effect at the earlier of December 31, 1993 or retirement. Effective December 31, 2000, the preretirement and postretirement one-times pay death benefit for eligible active employees as of December 31, 2000 was transferred to the Group Life Plan.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, line 25 - Change in Method

- (1) Effective with the January 1, 2010 funding valuation, there was a change in the effective interest rate basis to use the January 2010 segment rates.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, Line 26 - Schedule of Active Participant Data

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	Average Cash Bal		Average Cash Bal		Average Cash Bal		Average Cash Bal		Average Cash Bal		Average Cash Bal		Average Cash Bal		Average Cash Bal		Average Cash Bal		Average Cash Bal	
	No		No		No		No		No		No		No		No		No		No	
Under 25	-	-	375	779	75	1,595	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 to 29	-	-	769	954	665	2,592	46	5,300	-	-	-	-	-	-	-	-	-	-	-	-
30 to 34	-	-	513	1,348	675	4,018	257	7,089	18	-	-	-	-	-	-	-	-	-	-	-
35 to 39	-	-	414	1,991	521	6,438	356	12,207	89	15,142	12	-	-	-	-	-	-	-	-	-
40 to 44	-	-	302	2,211	382	8,758	302	17,231	139	29,624	91	47,183	5	-	-	-	-	-	-	-
45 to 49	-	-	259	3,328	405	11,098	273	23,628	140	39,024	172	63,872	40	88,916	3	-	-	-	-	-
50 to 54	-	-	264	3,164	360	13,584	234	25,769	113	61,166	97	65,930	45	119,598	21	119,382	2	-	-	-
55 to 59	-	-	239	3,409	275	12,907	207	28,926	82	35,452	66	67,328	29	145,960	13	-	7	-	2	-
60 to 64	-	-	134	4,261	161	13,619	118	26,477	42	42,563	29	42,851	21	105,501	9	-	5	-	2	-
65 to 69	-	-	37	3,185	50	11,855	40	30,077	13	-	2	-	5	-	-	-	-	-	1	-
70 & up	-	-	9	-	13	-	16	-	8	-	5	-	1	-	-	-	-	-	-	-

Note: The plan is hard frozen and as result, compensation was not provided. The average cash balance account data should satisfy the average annual accrued benefit requirement.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, line 22 – Description of Weighted Average Retirement Age

Decrement	
Age	Rates
55 – 59	6%
60	10%
61	12%
62 – 64	21%
65	33%
66 – 69	24%
70	100%

Line 22 weighted average retirement age: 62

The average retirement age was calculated by taking a weighted average of lives expected to retire from ages 55 to 70, weighted by age, taking into account retirement rates at those ages.

Plan Sponsor's Name: Convergys Corporation
Plan Name: Convergys Corporation Pension Plan
EIN: 31-1598292
Plan Number: 001

Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Remaining Installments	Valuation Date Established	Years Remaining in Amortization Period	Amortization Installment
Shortfall	\$29,053,038	01/01/2009	6	\$5,477,664
Shortfall	\$11,794,135	01/01/2010	7	\$1,971,116
	\$40,847,173			\$7,448,780

Convergys Corporation Pension Plan

EIN #31-1598292 Plan #001

Schedule H, Line 4i – Schedule of Assets (Held At End of Year)

December 31, 2010

Identity of Party Involved and Description of Asset	Number of Shares	Cost	Current Value
Common/collective trust funds:			
* Russell Fixed Income I Fund	1,162,709	\$ 31,951,743	\$ 40,032,069
* Russell Large Cap Str. Equity Fund	2,474,082	23,446,426	25,878,894
* Russell Equity I Fund	555,460	22,232,202	25,973,296
* Russell International Fund	551,183	20,385,160	25,007,172
* Russell Equity II Fund	151,412	7,409,388	9,852,396
* Russell STIF	65	65	65
		105,424,984	126,743,892
Common shares:			
* Convergys Corporation Common Shares	303,402	6,636,919	3,995,804
Limited partnership:			
Tri-State Growth Capital Fund I L.P.	3,414,944	3,414,944	3,516,624
Total Investments		<u>\$ 115,476,847</u>	<u>\$ 134,256,320</u>

* Party in interest

Convergys Corporation Pension Plan

EIN #31-1598292 Plan #001

Schedule H, Line 4j – Schedule of Reportable Transactions

December 31, 2010

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain
Category (iii) – Series of transactions in excess of 5% of plan assets						
Russell STIF	Interest bearing cash					
Russell Fixed Income I Fund	Common/collective trusts	\$ 5,465,580	\$ 8,890,138	\$ 7,184,272	\$14,355,718	\$ 1,705,866
Russell International Fund	Common/collective trusts	3,080,782	4,190,999	3,864,059	7,271,781	326,940
		<u>\$ 8,546,362</u>	<u>\$13,081,137</u>	<u>\$11,048,331</u>	<u>\$21,627,499</u>	<u>\$ 2,032,806</u>

There were no category (i), (ii), or (iv) transactions during 2010.