



Memo

Wagner and Phillips LLP

To: Andrew Wagner

From: William R. Brannon

Date: November 5, 2011

Re: Promotion and Raise in Salary

Upon reading your request for a promotion and raise in salary, I have come to the following conclusion. As you know there are many requirements that need to be met before we can consider an individual to receive a title of senior manager. These requirements include bringing in around \$750,000 in revenue a year, being an employee with the company for at least seven years, and having a consistent client base of five to ten clients a year. But the most important requirement that needs to be met is to pass the CPA exam. Not only is this our policy here at Wagner and Phillips but it is also an industry standard as well. This is to ensure the overall quality of the service we provide to our clients, and also the integrity and protection of the firm. Since you have not yet passed your CPA exam, we will not be able to promote you as requested nor raise your base salary for the upcoming year.

You will however, be receiving a yearend bonus for the firm's overall performance. I would also like to remind you that we offer study materials and test preparation free of charge, and will also reimburse you for your CPA expenses once you pass the exam. Once you have completed your CPA exam, you will have met all the criteria necessary in order to be considered for a promotion to senior manager come this time next year.

We appreciate your outstanding work and dedication to Wagner and Phillips and would like to thank you for all the hard work and drive you give us every day.

Memo