

TO: ALL U.S. EMPLOYEES WITH CERIDIAN STOCK AWARDS AND OPTIONS
FROM: EXECUTIVE COMPENSATION DEPARTMENT
SUBJECT: IMPACT ON YOUR CERIDIAN STOCK AWARDS BASED ON THE MERGER WITH AFFILIATES OF THOMAS H. LEE PARTNERS, L.P. AND FIDELITY NATIONAL FINANCE, INC.
DATE: NOVEMBER 9, 2007

As you are aware, at the September 12, 2007 Ceridian Corporation annual stockholder's meeting, the merger with affiliates of Thomas H. Lee Partners, L.P. and Fidelity National Financial, Inc. was approved by our stockholders. This merger closed on November 9, 2007. The merger agreement provides that outstanding Ceridian common stock will be canceled and cashed out for \$36 per share. This communication is meant to provide you with an overview of how the merger will affect your stock awards and stock options.

Please read this communication carefully as well as the Frequently Asked Questions, which has a link included in this memo.

NON-QUALIFIED STOCK OPTIONS

- **VESTED/UNVESTED OPTIONS:** Each outstanding stock option to acquire Ceridian common stock (Stock Option), whether or not vested, that remains outstanding at the time of the closing of the merger was cancelled and converted into the right to receive a cash payment equal to the number of shares of Ceridian common stock underlying the Stock Option multiplied by the amount (if any) by which \$36 exceeds the exercise price of the Stock Option, less any applicable federal, state and local withholding taxes. The payout will be part of a special Ceridian payroll* that we currently expect to run on November 14, 2007. You will receive the funds as you would any other normal payroll process. Your earnings will be updated to reflect the ordinary compensation income generated from this transaction as well as all tax withholding that occurred as a result of this transaction.

NOTE: * Funds will be deposited to the same accounts as a regular paycheck.

RESTRICTED STOCK UNITS (RSUs)

- **VESTED UNITS:** Your vested RSUs were previously settled in shares of Ceridian common stock. These shares may be held by you in certificate form or on your behalf at E*TRADE Financial, The Bank of New York (our stock transfer agent) or another brokerage firm. At the time these shares vested, you recognized ordinary compensation income, which is your cost basis for the shares you received. At the close of the merger all outstanding shares of Ceridian common stock were converted into the right to receive \$36 per share in cash. You or your brokerage firm will receive instructions on how to receive the amount of cash that you are entitled to based upon the number of shares of Ceridian common stock that you own. In addition, if you hold your shares of Ceridian common stock in a brokerage account you will receive a Form 1099 from your broker. You will need to file a Schedule D to report this transaction on your 2007 income tax return.
- **UNVESTED UNITS:** Any unvested RSUs will be cancelled and converted into the right to receive \$36 per share less any applicable federal, state and local tax withholdings required as a result of the ordinary compensation income you will recognize at the time of conversion. The payout will be part of a special Ceridian payroll* that we currently expect to run on November 14, 2007. You will receive the funds as you would any other normal payroll process. Your earnings will be updated to reflect the ordinary compensation income generated from this transaction as well as all tax withholding that occurred as a result of this transaction.

NOTE: * Funds will be deposited to the same accounts as a regular paycheck.

RESTRICTED STOCK AWARDS (RSAs)

- **VESTED SHARES:** RSAs that have vested are shares of Ceridian common stock that are no longer subject to trading restrictions. At the time these shares vested, you recognized ordinary compensation income, which is your cost basis for the shares you received. You may hold these shares in certificate form or such shares may be held on your behalf at The Bank of New York or another brokerage firm. All outstanding shares of Ceridian common stock, including the shares described in this paragraph, were converted into the right to receive \$36 per share in cash. You or your brokerage firm will receive instructions on how to receive the amount of cash that you are entitled to based upon the number of shares of Ceridian common stock that you own. In addition, if you hold your vested RSAs in a brokerage account you will receive a Form 1099 from your broker. You will need to file a Schedule D to report this transaction on your 2007 income tax return.
- **UNVESTED SHARES:** Your unvested RSAs will be cancelled and converted into the right to receive \$36 per share less any applicable federal, state and local tax withholdings required as a result of the ordinary compensation income you will recognize at the time of conversion. The payout will be part of a special Ceridian payroll* that we currently expect to run on November 14, 2007. You will receive the funds as you would any other normal payroll process. Your earnings will be updated to reflect the ordinary compensation income generated from this transaction as well as all tax withholding that occurred as a result of this transaction.

TRANSACTION RECEIPTS

For all unvested restricted stock awards and unvested restricted stock units and all outstanding vested or unvested stock options, you will receive a statement showing the transaction details. This statement will be mailed to your home in approximately 8-10 days. In addition, for any transactions processed via HRS-US and Corporate Staff payroll, you will be able to access the tax detail on Source Self-Service once the off-cycle payroll run has been processed.

RETIREMENT ELIGIBLE EMPLOYEES

For retirement eligible employees, if you pre-paid your FICA withholdings on any unvested restricted stock units, we will not withhold any additional FICA taxes.

FOR ADDITIONAL QUESTIONS

For any additional questions, please send an email to MergerRelatedEmployeeStockQuestions@ceridian.com

YOU SHOULD CONSULT YOUR OWN TAX ADVISOR TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO YOU OF THE RECEIPT OF ANY PAYMENTS IN RESPECT OF OUTSTANDING STOCK OPTIONS, RSAs, RSUs or CERIDIAN COMMON STOCK.