AT&T Vendor Expense Policy
AT&T Inc. and Participating Companies

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1.0 General

The AT&T Vendor Expense Policy (VEP) provides guidelines to be followed by all vendors of AT&T in requesting reimbursement for business travel, meals and other business related expense. Expenses outside this policy are not reimbursable.

The following principles apply to requests for expense reimbursement:

When spending money that is to be reimbursed, vendors must ensure that an AT&T Company ("Company") receives proper value in return.

Personal expenditures reported for reimbursement should be billed exactly as they were incurred. The use of averages for any type expenditure or combination of expenditures is not permitted except as specifically provided or documented in a contract.

Every vendor and AT&T employee who certifies or approves the correctness of any voucher or bill should have reasonable knowledge the expense and amounts are proper and reasonable. In the absence of the adoption of such policy, or existing contractual agreements, these guidelines are considered the minimum requirements for requesting reimbursement of Company funds.

Deviations from this VEP *must be approved in writing* by the sponsoring Senior Manager or Officer of an AT&T Company.

Receipts will be requested and reviewed for any unusual or out of the ordinary expenses or where the approver cannot make a reasonable determination of the propriety of the invoice without a receipt.

1.1 Non-Reimbursable Expenses

The following is a list, although not all inclusive, of expenses considered not reimbursable:

- Airline club membership fees, dues, or upgrade coupon
- Baggage fees beyond the first piece of luggage
- Barber/Hairstylist/Beautician Expenses
- Birthday cakes, lunches, balloons, and other personal celebration/recognition costs
- Break-room supplies for the vendor, such as coffee, creamer, paper products, soft drinks, snack food
- Car rental additional fees as an example: Global Positioning System (GPS) devices, or fee charged for airline frequent flyer miles.
- Car Washes
- Clothing, personal care items, and toiletries
- Credit card fees
- Dependent care
- Entertainment expenses
- Expenses associated with spouses or other travel companions
- Expenses to cover meals or expenses for an AT&T employee, whether in a home location or on official travel
- Flowers, cards and gifts
- Health Club and Fitness facilities
- Hotel pay-per-view movies, Video Games and/or mini bar items
- Hotel no-show or cancellation charges
- Insurance for rental car and or flight
- Internet access in hotels (added to 3.5)
- Laundry (except when overnight travel is required for 7 or more consecutive nights)
- Lawn care
- Lost: luggage, cash, personal items and valuables, and tickets
- Magazines & newspapers

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- Meals not consistent with AT&T's Global Employee Expense Policy and or meals not directly required for doing business on the AT&T account (e.g. vendors cannot voucher lunch with each other simply to talk about AT&T)
- Medical supplies
- Membership fees to exercise facilities or social/country clubs
- Movies purchased while on an airplane
- Office expenses of vendors for example: a calendar
- PC, cell phone, and other vendor support expenses (unless specifically authorized in the agreement)
- Personal entertainment
- Phone usage / Wi-Fi on airline unless prior written approval by AT&T
- Safe rentals during a hotel stay
- Souvenirs, personal gifts
- Surcharges for providing fast service (not related to delivery charges such as FedEx, UPS, etc.). AT&T expects all vendors to complete the terms of contracts in the shortest period practicable. Charges for shortening the timeframe in which contracts are fulfilled are not permissible.
- Tips for housekeeping and excessive tips, *i.e.,* in excess of 15% to 18% of cost of meal or services, excluding tax
- Tobacco Products
- Traffic or Parking Fines
- Travel purchased with prepaid air passes.
- Upgrades on airline, hotel, or car rental fees
- Water (bottled or dispensed by a supplier), (unless authorized for specific countries where it is recommended that bottled water is used)
- Fee charged for advanced reservation for airport parking
- Supplier shall not bill for travel, meal, or living expenses when its employees are working from their own homes or office locations or at an AT&T location that is one hour's driving time or less away from the employees' residences or office locations.

The failure to comply with the above mentioned restrictions will result in the Company refusing payment of charges or pursuing restitution from the vendor.

2.0 Responsibilities

2.1 Vendor's Responsibility

Vendors are responsible for ensuring clarification of any questions from sponsoring AT&T managers relative to reimbursable business expenses.

It is mandatory that financial transactions are recorded in a timely manner. **Out-of-pocket business expense(s) for vendors that are not submitted for reimbursement within 90 calendar days from the date incurred are considered non-reimbursable.** Company managers who are responsible for approving reimbursable expenses of vendors should ensure they are submitted and approved in a timely manner.

3.0 Travel Policy

Vendors must first consider the feasibility of using videoconferencing or teleconferencing as an alternative to travel. Travel that is to be reimbursed by AT&T should be incurred only as necessary and pre-approved by AT&T (unless otherwise authorized in the agreement).

AT&T reserves the right to dispute any expense submittal and if not verifiable as valid may reject reimbursement. Reimbursements will be made to vendor only after expenses are verified as valid.

3.1 Travel Authorization

Travel requiring overnight stays must be pre-approved by the sponsoring AT&T 3rd Level Manager or above and should be approved only if it is necessary for the vendor to travel to perform required work.

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3.2 Travel Reservations

Vendors are expected to procure the most cost efficient travel arrangements, preferably equivalent to the AT&T discount rate. AT&T does not reimburse for travel purchased with prepaid air passes.

3.3 Travel Expense Reimbursement

Vendor travel expenses incurred for company business are reimbursable only as specified in these guidelines. Travel expenses may include the following:

- Transportation (airfare or other commercial transportation, car rental, personal auto mileage, taxi and shuttle service)
- Meals and lodging
- Parking and tolls
- Tips/porter service (if necessary and reasonable)
- Vendors who stay with friends or relatives or other vendor employees while on a Company business trip will **NOT** be reimbursed for lodging, nor will they be reimbursed for expenditures made to reciprocate their hospitality by buying groceries, being host at a restaurant, etc.

The expense must be ordinary and necessary, not lavish or extravagant, in the judgment of the AT&T sponsoring management. Any reimbursement request must be for actual expenditures only.

3.4 Air Travel Arrangements

Vendors must select lowest logical coach airfare (fares available in the market at the time of booking, preferably well in advance of trip to attain lowest possible airfare). Vendors must consider non-refundable fares, routing requiring one additional interim stop in each direction, or an alternate flight within 2 hours of the original departure and arrival time. First class bookings are not reimbursable**.** Vendors can request business class when a single segment of flight time ("in air time" excluding stops, layovers and ground time) is greater than 8 continuous hours providing the relevant manager pre-approves.

3.5 Hotel Arrangements

AT&T has established Market-Based Room Rate Guideline**s** for vendors to reference when making hotel reservations in the United States. Vendors should contact their AT&T sponsoring manager to receive guidance for hotel rates when traveling in the U.S. Sponsoring managers may access Travel Central to obtain information on the AT&T U.S. Market Guidelines. Vendors traveling outside the U.S. should reference the GSA, Government Per Diem as a guide: https://aoprals.state.gov/web920/per_diem.asp. Non-US vendors may use these dollar per diems as a guide, but any locally specified per diems will take precedence. Vendors are expected to abide by these guidelines when making hotel arrangements or use specified AT&T preferred hotels/maximum location rates or reasonably priced hotels outside of the U.S. The AT&T sponsoring manager can advise which hotel/max rate to use if there is a hotel in the location concerned. AT&T will only reimburse vendors up to the established room rate guideline/AT&T preferred hotel rate in each market, or for actual hotel lodging charges incurred, whichever is less.

There must be a strong business justification for incurring any cost for internet access, and a request for reimbursement must be accompanied by a detailed explanation regarding reason for charge.

Note: Vendors must indicate the number of room nights on the transaction line when invoicing for reimbursement of hotel expenses. Copies of all hotel bills must be made available for any invoice containing lodging charges.

3.6 Ground Transportation

While away from their home location overnight, vendors are expected to utilize rapid transit or local shuttle service. If the hotel provides a complimentary shuttle, vendors are to use this service before paying for transportation. If complimentary service is not provided a taxi or other local transportation is reimbursable as a business expense. Tips provided to taxi drivers cannot exceed 15% of the value of the total fare.

A rental car is appropriate when the anticipated business cost is less than that of other available public transportation. Except to the extent necessary to accommodate several travelers and/or luggage requirements, vendors will not be reimbursed for automobile rentals other than economy or mid-sized/intermediate models.

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"Loss Damage Waiver" and "Extended Liability Coverage" are not considered reimbursable in the US. Prepaid fuel or refueling charges at the time of return are not reimbursable. Rental cars should be refueled before returning to the rental company, since gas purchased through the rental company carries an expensive refueling service charge.

3.7 Use of Personal Vehicle

When use of personal vehicle is required for business travel, AT&T will reimburse for daily mileage for amounts over 50 miles (first 50 miles not reimbursable). This includes parking and toll fees. Vendors/suppliers should provide the following information:

- Purpose of the trip
- Date
- Starting Point and Destination
- Mileage log –when combining numerous trips, a mileage log should be provided showing the total mileage of the daily trips less the 50 miles not allowed for reimbursement **(See Section 3.16 Expenses Incurred in the vicinity of home/work location).**

3.8 Parking

If airport parking is necessary, vendors must use long term parking facilities. Additional costs for short term, valet or covered parking are not reimbursable.

3.9 Entertainment

Entertainment expense is not reimbursable to vendors. Entertainment includes meal expense involving AT&T personnel, golf fees, tickets to events and related incidental expenses. Hotel charges for a pay-per-view movie, individual sightseeing tours, or other individual activities (i.e., golf, sporting event, movie, etc.) are not reimbursable.

3.10 Laundry and Cleaning

Reasonable laundry charges during business trips of seven or more **consecutive** nights are reimbursable based on actual expenses incurred.

3.11 Communications

- The actual cost of landline telephone calls for AT&T business is reimbursable. The use of AT&T products is required when available.
- AT&T will not reimburse vendors for cell phone bills unless approved under the contract. With prior consent of the sponsoring AT&T Senior Manager, only individual calls that **exceed** a vendor's rate plan that are necessary to conduct business for AT&T may be reimbursed.

- Charges for high speed internet access are not reimbursable unless specifically approved in the contract.

3.12 Business Meals (Travel and Non-Travel)

Vendors when dining alone on an out-of-town business trip are expected to spend $62 USD or less per day inclusive of tax and gratuity for meals within the U.S. and $153 USD equivalent or less per day inclusive of tax and gratuity for meals outside the U.S. except where governed by law or mandatory per diem. This includes all meals purchased during the day. Vendors should take into consideration the travel destination and exercise good judgment in incurring reasonable meal expenses.

AT&T managers authorizing invoices will be held accountable for ensuring that vendors are following this policy and are spending Company funds economically.

3.13 Flowers, Greeting Cards, Gifts and Incentive Awards

The cost of gifts, flowers, birthday lunches, or greeting cards is considered a personal expense and is not reimbursable. For example, vendors making a donation or providing a gift for a fund-raiser for AT&T may not submit such an expense to AT&T for reimbursement.

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3.14 Loss or Damage to Personal Property

The Company assumes no responsibility for loss or damage to a vendor's personal property during business functions or hours.

3.15 Publications

Subscriptions to or purchases of magazines, newspapers and other publications are not reimbursable.

3.16 Expenses incurred in the vicinity of home/work location

Supplier shall not bill for travel, meal or living expenses when employees are working from their own homes, office locations or an AT&T location that is **within 50 miles** of the employees' residence or work location.

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