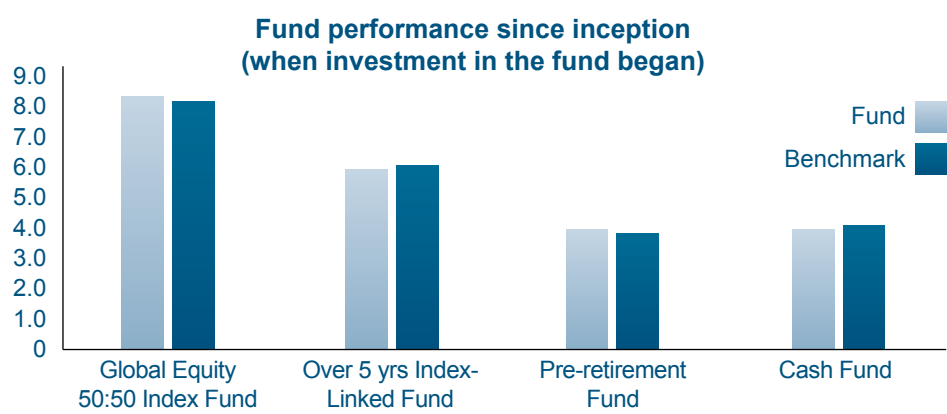
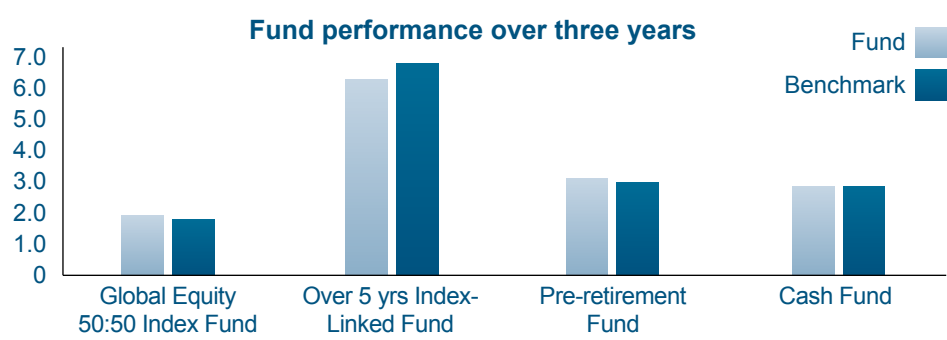
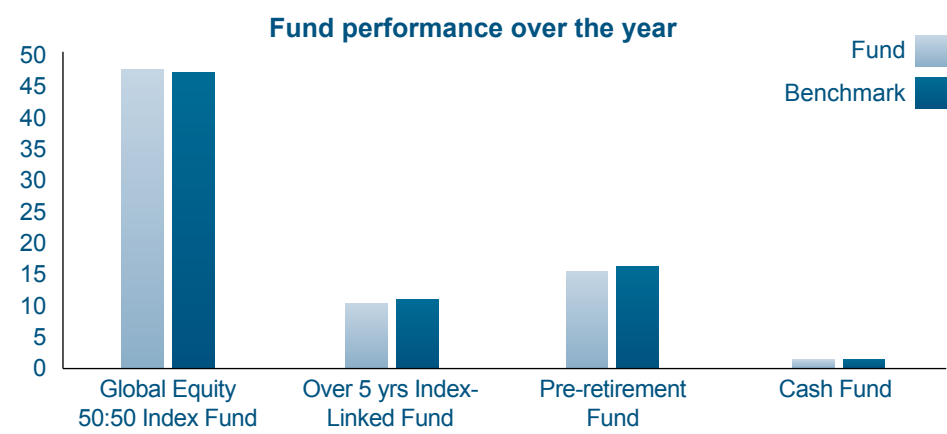


Facts and figures continued

Investment performance

To ensure that the funds on offer to members continue to provide good investment returns, the Trustees review the performance of the investment managers on a regular basis. The following graphs show how each of the funds have performed against the benchmark over the year, 3 years, and since the funds inception (November 2004).



The Trustees regularly review and monitor the range of funds on offer, with the help of their advisers, to ensure that the funds offered are appropriate for member needs.

Contacting us

If you have any queries about the Scheme, or your benefits in it, please contact us via email (fdr@capita.co.uk), or call the pensions helpline **0845 604 5316**.

Also don't forget to let us know if your circumstances change, for example, if you move house.

Capita Hartshead Consultancy Services Limited, 2nd Floor, Ludgate House, 245 Blackfriars Road, London SE1 9UF

Know

your pension

DC Edition – for the year ended 31 March 2010

For members of the Defined Contribution (DC) Section of the FDR Limited Pension Scheme ('the Scheme')



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From the Trustees

Welcome to the 2010 DC edition of the Know Your Pension newsletter, specifically for members of the FDR Limited Pension Scheme.

We have produced this version of Know Your Pension to provide information to members of the DC Section of the Scheme. It contains all the information you need to know on how the DC Section has been managed during the last Scheme year. As well as Scheme updates, we have included a guide on purchasing annuities following our newly established arrangement with Capita Hartshead Annuity Service ('Capita'), and a focus on the importance of Expression of Wish forms.

We hope that you find this newsletter informative; however, if you have any questions about your pension benefits in the DC Section or any of the matters raised in this newsletter then please contact us using the details on page 8.

The Trustees





Hot off the press

Your new website

The Scheme is planning to launch a new pensions website, which will allow you to access all the information you need to plan your pension savings. The site, due to launch in the new year, will let you see and plan your pension savings as well as provide general Scheme information, all in one place. The new website contains a month-by-month breakdown of your contributions and the contributions that have been paid by the Company. It will also have a pension planner which will show how much you might receive on retirement and how increasing your contributions may affect your pension on retirement. We will be releasing more information about the website and instructions on how to access your account closer to the launch date.

Auto-enrolment and NEST

National Employment Savings Trust or NEST as it is more commonly known is the new name for personal accounts. NEST is scheduled to begin in October 2012, aiming to encourage more workers to save for their retirement. The reason for NEST is that an estimated 10 million people have little or no pension provision for when they retire, thus the introduction of NEST is aiming to reduce the number of people without adequate pension provision. This pension reform will affect many people throughout the UK and will change the way we think and save for our future retirement.

Auto-enrolment is being phased in from 2012 and will introduce the requirement that anyone earning over £7,475 a year will automatically be enrolled in their employer's chosen qualifying scheme. This will mean that if you are not already in a qualifying scheme, you would either automatically join a qualifying work-based scheme, or if your employer chose not to offer a work-based scheme, then you would join NEST.

The minimum contribution levels to be made into the chosen scheme are to be phased in between October 2012 and October 2017. This minimum contribution level will start as a 2% contribution with at least 1% coming from your employer. You will be able to opt out of any pension plan you are automatically enrolled into; however your employer may periodically re-enrol you, and again you may opt out if you wish.

As everyone will be automatically enrolled in a scheme it is up to your employer, at that time, to select which scheme you will be enrolled into. This may be an employer sponsored scheme or NEST, the Government sponsored scheme. For those currently employed by First Data, the Company is carefully considering the implications of these proposals on the Scheme and will communicate with members closer to the time.

The notice board

Scheme changes

The salary sacrifice arrangement for members' contributions (SMART Pension) was established by the Company and began on 1 April 2010. The amount of your salary you sacrifice is paid to the Scheme directly by the Company, rather than being paid to you. The main advantage of this is that as a result of you having a lower salary, both you and your employer pay less National Insurance Contributions (NIC).

Investment review

The Trustees are currently reviewing the investment funds available to members of the DC Section, as well as the Lifestyle Strategy. The outcome of the review and any forthcoming changes will be announced in due course, and introduced in 2011.

Benchmarking exercise

First Data has appointed an external adviser to carry out a study to assess the competitiveness of the DC offering to its employees. The initial results of the exercise have been provided to the Company who are reflecting on the findings.

At retirement – the Open Market Option

Did you know that by shopping around for your pension annuity, the Financial Services Authority (FSA) has suggested you may be able to increase your retirement income by up to 30%?

To assist you with the process of exercising the 'Open Market Option', the Trustees have appointed the Scheme's administrator, Capita Hartshead, to undertake thorough research on your behalf. As part of this arrangement, Capita will write to you near your retirement date to obtain additional information to assist you to get the best value annuity and to ensure it matches your own personal requirements.

At retirement

You will receive a letter when approaching retirement outlining the options and amounts available to you. You can purchase your annuity from an insurance company offering the most competitive rates available on the market by using the Capita Hartshead Annuity Service. You also have the option of seeking advice from your own Independent Financial Adviser (IFA) regarding the purchase of your annuity or the other retirement options that may be available to you. Details of financial advisers in your area can be found at www.unbiased.co.uk.

The annuity market is very competitive and no single company can provide the best annuity rate in all circumstances. You have the right to buy your pension from the insurance company offering the best rate and this is called the "Open Market Option". The Capita Hartshead Annuity Service can assist you to obtain the most competitive annuity using the Open Market Option.

Retirement options

The size of the pension payable from your retirement date will depend on the value of your Member Account and, if appropriate, your AVC Account, the options you select relating to your pension, together with the cost of purchasing those options at the time of your retirement.

As you approach your retirement date you will need to decide whether you wish to receive solely an income (your pension) or a reduced income plus a tax-free cash lump sum. You can use the whole of your Member Account to purchase a pension. Or the Scheme allows for you to take part of the value of your Member Account as a tax-free cash sum, called a Pension Commencement Lump Sum, with the residual balance then used to purchase a reduced pension.

You are able to draw your lump sum from any part of your benefits, so if you hold Additional Voluntary Contributions (AVCs) or have been a member of both the DB and DC Sections of the Scheme you may be able to exhaust your tax-free cash allowance on your DC or AVC benefits before reducing your DB pension.

You can also tailor your annuity to suit you, whether by adding a spouse's pension or having your pension increase each year. Each of these options will affect the amount of pension you receive. The choice is up to you.



You can tailor your pension to suit your circumstances and you may want to consider the following when thinking about your annuity choices.

Annuity type			
Single life	or	Joint life	
Pays the highest income but ceases on your death.		50%	66.67%
			100%
Pays less than a single life annuity, but when you die a pension will continue to be paid to your dependants. The joint life annuity is expressed as a percentage of your annuity.			

Guarantee period			
No guarantee	or	5 years	10 years
Should you die before the end of any selected guarantee period, the remaining payments are paid to your estate. Most annuities are guaranteed for either 5 or 10 years.			

Inflation-proofing			
Level	or	Increasing – fixed	Increasing – index linked
		(e.g. 3% or 5%)	(with inflation – can be capped e.g. 5%)
Should you choose a level annuity this will provide the highest income initially; however it is important to consider a rising income to protect your pension from the effects of inflation.			

Your health	
In good health	or Smoker/poor health
It may be possible to secure a higher income through an 'Enhanced Annuity' if you, or your spouse, suffer from one or more of the medical conditions specified by annuity providers or have made a lifestyle choice that insurers consider may reduce your life expectancy. Therefore, it is really important that you disclose all relevant details as in some instances your pension income might be increased by as much as 60% for a serious condition.	

The purchase of an annuity is one of the most important financial decisions you will have to make in your lifetime. You will need to consider all your options carefully to ensure you are getting the right annuity to suit your circumstances. If you require further advice you should contact an Independent Financial Adviser.

Focus on Expression of Wish forms

The Trustees would like to remind you of the importance of completing and updating your Expression of Wish form. What would your responses be to the following questions:

- Have you completed an Expression of Wish form?
- Is your current form less than 2 years old?
- Are your personal circumstances the same now as when you last completed an Expression of Wish form?
- Are the directions in your will the same now as when you last completed an Expression of Wish form?

If you have answered “No” to any of the above questions, you are advised to complete and submit a new Expression of Wish form as soon as possible.

If you should die and a lump sum death benefit becomes payable, the Scheme Trustees have absolute discretion to decide who will receive this benefit. The Trustees' discretion ensures that the payment does not form part of the deceased member's estate and therefore is usually paid tax free.

Even though the benefits are paid at the discretion of the Trustees, the Trustees can take your wishes into consideration when deciding to whom to pay the benefits to. For this reason, it is important for the Scheme to hold an up-to-date Expression of Wish form for all active and deferred members. If you have reason to believe that the administrators do not hold an up-to-date form for you then you should complete one as soon as possible.

The Expression of Wish form is a key source for the Trustees in determining members' wishes in respect of any lump sum payment. It is much easier for Trustees to make an informed decision if they hold an accurate and current Expression of Wish form to aid them in their decision making process. Consider for a moment the Trustees' dilemma in the event of your death and faced with having either a form that has been held on file for many years and could be out of date or, worse, no form at all.

A form is enclosed in this newsletter and should be completed and sent to Andrew Smith, Capita Hartshead Consultancy Services Limited, 2nd Floor, Ludgate House, 245 Blackfriars Road, London, SE1 9UF.

Death benefits

The following benefits may be payable if you die in service:

- A lump sum life assurance benefit equal to three times your Pensionable Salary
- The value of your Member Account and AVC Account (if applicable) paid as a lump sum
- An additional lump sum equal to four times your Pensionable Salary if you die leaving a widow/er or civil partner
- If you are married, a pension for your widow, widower or civil partner using the value of your accrued Member Account (and AVC Account if applicable), in addition to the lump sum to purchase for them a pension from an insurance company
- A pension for your children under the age of 18 if you are not survived by a widow, widower or civil partner.

If you die in service, but after taking your pension benefits, the following benefits may be payable:

- A lump sum life assurance benefit equal to your Pensionable Salary
- Any guarantees, spouse's or civil partner's pension or benefits from your annuity depending upon the exact options chosen at the time you purchased your annuity.

If you want more information regarding the death benefits from the Scheme, please refer to your Scheme booklet. If you require specific information, please contact Capita Hartshead, contact details are provided on page 8.



Trustee news

The Scheme is looked after by the Trustees, who take responsibility for managing the Scheme prudently, conscientiously, in good faith, and in the best interests of members and beneficiaries. The current Trustees are:

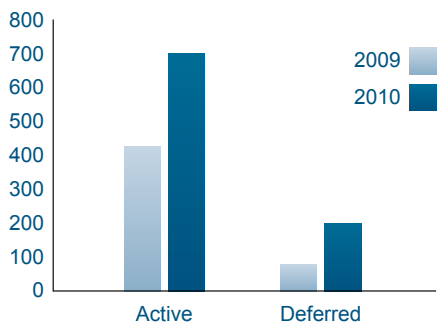
Independent trustee	BESTrustees plc, represented by Rachel Tranter, Independent Chair
Employer-nominated trustees	Frances Leavy Brian Collins Ursula Gray
Member-nominated trustees	Peter Motley Carol Dutton

To help with the day-to-day running of the Scheme, and to assist with technical matters, the Trustees make use of specialist advisers. The advisers that the Trustees employ are listed below:

Secretary to the Trustees	Sue Curley of Capita Hartshead Consultancy Services Limited
Scheme actuary	Andrew Barnes FIA of Towers Watson Limited
Scheme administrator	Capita Hartshead Consultancy Services Limited
Investment managers	Legal & General Investment Management Limited
DC consultant	Towers Watson Limited
Investment consultant	Towers Watson Limited
Auditor	Ernst & Young LLP
Solicitors	SNR Denton UK LLP
Bankers	National Westminster Bank Plc

Facts and figures

Membership



This chart shows membership of the DC Section of the Scheme at the year end, 31 March 2010.

Fund account

Below are details of the DC Section's income and expenditure for the year ended 31 March 2010, with the previous year's figures alongside for comparison:

	2009/10	2008/09
Fund value at 1 April	£4,459,174	£3,656,799
Income		
Employer's normal contributions	£1,842,611	£1,329,061
Employer's other contributions	-	-
Members' normal contributions	£1,178,356	£739,170
Members' additional voluntary contributions	£196,140	£95,505
Other income	-	£306,536
Expenditure		
Benefits	£(7,873)	£(314,957)
Transfers out	£(272,290)	£(354,260)
Payments to and on account of leavers	£(64,845)	£(61,093)
Administration expenses	£(282)	£(473)
Other payments	£(10,315)	£(3,502)
Investments		
Investment income	£497	£11,775
Change in market value of investments	£2,252,299	£(945,009)
Investment management expenses	-	£(378)
Net increase/(decrease) in the fund during the year	£5,114,298	£802,375
Fund value at 31 March	£9,573,472	£4,459,174

The significant increase in the membership of the Scheme and expenditure over the year is due to the closure of the DB Section of the Scheme on 30 June 2009 with many members choosing to join the DC Section.

Investments

The assets of the DC Section are invested with Legal & General Investment Management, who currently provide each of the investment funds available to members. Investments in these funds are made in accordance with each member's chosen investment strategy. The overall spread of the DC Section's assets, as invested at 31 March 2010, is shown below.

