



Oct. 25, 2011

TO: First Data U.S. Colleagues
FROM: Peter Boucher, EVP, Human Resources
RE: Annual Enrollment for 2012 Health and Life Benefits Coming Soon

In November, annual enrollment for your 2012 Health and Life Benefits will open. Our plan offerings for next year continue to provide you and your family with a comprehensive and competitive health and life benefits package - now with an even greater focus on wellness and healthy lifestyle choices.

As you've likely heard me talk about recently, the goal of our compensation and benefits programs is to maintain a competitive and sustainable business operating model that includes a comprehensive total rewards package for all employees. This includes many different forms of pay and benefits, with programs and practices tailored to meet country-specific needs and requirements. We offer a variety of options so there is flexibility in our plans to meet the many different needs of our First Data employees and their families, and also to provide choices when needs change. We have a number of ongoing practices in place to compare each element of our total rewards package and ensure that we remain competitive in the global markets where we operate. Our U.S. Health and Life Benefits program is one that we dedicate tremendous time and resources to reviewing and benchmarking against industry peers and practices.

As all companies are experiencing across the U.S., our costs associated with maintaining a health benefits program and paying employee medical claims continue to increase. In 2012, these expenses are expected to exceed \$145 million. It's important to remember that First Data self-funds our medical plan. This means First Data (not Aetna and/or United Healthcare) pays all costs for medical services you and your dependents receive after you pay your deductibles, co-insurance and co-pays. Our ability to continue to offer programs that are competitive and comprehensive with flexible choices is largely dependent on you.

First Data cannot incur all of the continual cost increases, nor do we expect our employees to absorb all of the increasing costs. It's something that we have to work together on to manage. In 2012, First Data's costs will increase, as will employee payroll contributions. You can offset a portion of the contribution increases by participating in wellness initiatives.

Just as many companies across the U.S. are doing, First Data is depending on you - our employees - to become educated health care consumers and participants. For 2012, we are not changing insurance providers but instead aggressively focusing on enhancing First Data's Wellness Program. This program is all about promoting healthy lifestyle choices and leveraging the programs currently offered to:

- Promote positive lifestyle behaviors for improved health and productivity
- Promote appropriate usage of the health care system
- Support a healthy work site culture
- Curtail future health care cost increases

Employees will have the opportunity to earn up to \$650 in incentives, paid out on your regular paychecks, for taking part in several wellness programs, which include pledging that you are tobacco-free and participating in the wellness challenge (health risk assessment) and onsite health screenings. In creating more aggressive requirements to promote wellness and healthy lifestyle choices, we looked across the marketplace to see what other companies were doing. Most companies, from Fortune 500 to governmental agencies, have wellness programs that require specific actions by their employees. As with First Data's strategy, the success stories and best practices are based on the foundation of wellness and requiring employees to play a meaningful and active role in the solution.

You can get additional details on the plans offered for 2012 through the attached Tip Sheet.

In the coming weeks you will receive specific information about how to enroll, more details about the plans and wellness incentives being offered, and the personal choices that are available to you. Important dates to remember include:

- Nov. 2.....Communications and rates posted on Benefits Web site: www.firstdatabenefits.us
- Nov. 14Benefits Enrollment Begins
- Nov. 22Benefits Enrollment Ends

We all share the responsibility to be wise health-care consumers, and First Data is committed to providing employees with a comprehensive and total rewards package that goes beyond your paycheck and considers the whole person – from competitive salary and bonus opportunities, to retirement plans, to benefit programs that promote good health and a solid work/life balance. We need your active partnership, as citizens of First Data, to do your part and participate in the wellness initiatives during annual enrollment and ongoing throughout the year.