

ALSTOM Pension Trust Limited
Newbold Road, Rugby, Warwickshire CV21 2NH, England
Phone: 44 (0) 1788 557400
Fax: 44 (0) 1788 546440
www.alstom.com

«Title» «Inits» «Surname»
«Address1»
«Address2»
«Address3»
«Address4»
«Address5»
«Postcode»

Dear «Title» «Surname»

20 January 2012

Alstom Pension Scheme - Invitation to transfer funds from the Scheme's legacy AVC arrangements (with Equitable Life and Standard Life) to the Friends Life AVC arrangement

The Trustee of the Scheme is offering members an opportunity to transfer funds in the Scheme's legacy Additional Voluntary Contributions (AVC) arrangements, with Equitable Life and Standard Life, to its current AVC arrangement with Friends Life (formerly Friends Provident).

While the Scheme offers four funds to members paying to the Friends Life AVC arrangement, a number of members still hold investments in the legacy AVC arrangements previously offered by the Scheme, which are managed by Standard Life and Equitable Life. These arrangements are not open to further AVC payments. **You have funds invested in the Equitable Life AVC and/or the Standard Life AVC arrangement(s).**

Whilst the Trustee reviews the appropriateness and performance of funds in the current arrangement on an ongoing basis, the Trustee does not carry out reviews on the Standard Life and Equitable Life funds. Given the lack of monitoring you should ensure you are still comfortable investing in these arrangements and seek independent financial advice. In view of this, the Trustee recognises that members may wish to consider the alternative investment options available to them through the Friends Life AVC arrangement.

What are my options and when do I need to make a decision?

The options available to you are detailed in the 'Questions and Answers Sheet' which is attached for your reference. For further details of your investment options please refer to the AVC Scheme Booklet and Investment Guide – please contact us to request a copy or view them on the Pensions Website at: www.pensions.uk.alstom.com/quickfind_APS.htm

If you wish to transfer your funds in the Equitable Life AVC or Standard Life AVC to the Friends Life AVC arrangement then you need to submit the enclosed transfer form by 28 February 2012. There may be another opportunity to transfer these funds to the Friends Life AVC at a later date, but there is no guarantee of this. If you have any questions about this letter please contact the Pensions Department at the above address or by telephone on 01788 557402 or 557403 or by email alstom.ukpensions@chq.alstom.com

Yours sincerely



Stuart Field
Pensions Administration Manager

**Opportunity to Transfer to Friends Life AVC
Questions and Answers Sheet**

What is my fund in the Equitable Life / Standard Life AVC arrangement currently worth?

You were sent an annual statement for your Scheme benefits in October, including a statement for your AVCs. To obtain a current value of your AVC fund, you can telephone MNPA (who are the administrators of the Alstom Pension Scheme) on 01372 200363.

What do the Equitable Life / Standard Life AVC and the Friends Life AVC fund cost?

Please refer to your latest AVC statement for details of the Equitable Life / Standard Life AVC fund charges. Please refer to the AVC Investment Guide for details of the Friends Life AVC fund charges.

Would there be a charge if I decided to transfer to the Friends Life AVC?

Ordinarily, there would be no charge to transfer from your Equitable Life / Standard Life AVC arrangement to the Friends Life AVC. However, if some or all of your Equitable Life / Standard Life AVC fund is invested in With Profits funds then a market value adjustment will be applied to that element of your fund value when the actual transfer value is calculated. This adjustment would be calculated by Equitable Life / Standard Life at the time of the transfer. Your annual AVC statement will tell you whether your AVCs are invested in With Profits funds or in Unit Linked funds. If you have any queries on this please call MNPA on 01372 200363.

How have the Friends Life AVC funds performed in the last few years?

The annual investment returns, after allowing for annual management charges specific to the Scheme, for each of the Scheme's Friends Life AVC funds for each of the five years prior to 30 September 2011, are shown below.

Year to 30 September	UK Index-Linked Gilt Index Fund	Global Equity (50:50) Index Fund	Diversified Growth Fund Introduced Nov 2009	Cash Fund Current cash fund (up to Feb 2012), managed by F&C	Cash Fund * (from Feb 2012), managed by BlackRock
2010/2011	11.6%	-3.7%	-1.3%	0.3%	0.4%
2009/2010	9.8%	9.5%	11.5%	0.1%	0.2%
2008/2009	1.7%	15.9%	n/a	1.9%	n/a
2007/2008	11.9%	-21.6%	n/a	5.6%	n/a
2006/2007	0.9%	13.8%	n/a	4.8%	n/a

Source: Friends Life and Mercer. Scheme specific returns estimated using data from Friends Life and taking into account level of management charges historically paid by Scheme members.

* Performance shown is for information only, as no members have been able to invest in this fund before February 2012. Performance only available for last two years.

Please note that the past performance of a fund is not necessarily a guide to the future performance of that fund.

The return for the Lifestyle strategy is simply the combined return of each of the underlying funds that you are invested in at any point in time. For further details on the Lifestyle strategy please refer to the AVC Booklet and Investment Guide.

I have read the AVC Booklet and Investment Guide and am interested in transferring my fund in the Equitable Life / Standard Life AVC arrangement to the Friends Life AVC. Is there anything else I should know?

You must transfer the whole of your Equitable Life / Standard Life AVC fund to the Friends Life AVC; you cannot just transfer some of it. Once the transfer of funds has been completed you cannot reverse this decision, but you can change the way you invest your Friends Life AVC as often as you like in the future. **Members with funds in the Equitable Life AVC arrangement should note that if they transfer these funds, then they will not benefit from any future compensation or enhancement payments should they be issued, in respect of their policy values being greatly reduced by Equitable after the legal ruling on pension guarantees in 2000.**

By law, the Alstom Pensions Department, the Trustee and Company cannot advise you on what might be best for your personal situation. If you feel you need advice, you should speak to an authorised independent financial adviser (IFA). Details of how you can find an IFA in your area can be found in the Investment Guide.

What action do I need to take if I want to transfer my fund in the Equitable Life / Standard Life AVC arrangement to the Friends Life AVC?

If you want to transfer your funds in the Equitable Life / Standard Life AVC arrangement to the Friends Life AVC, please complete the enclosed transfer form(s) APS25(SL) (for Standard Life AVCs) and/or APS25(EQ) (for Equitable Life AVCs), and submit it to the address below before the transfer deadline quoted below.

Where do I send my completed APS25(SL) and/or APS25(EQ) form and what is the deadline?

Alstom Pensions Department
Freepost MID23316
RUGBY
CV21 2BR

This is a freepost address and therefore no stamp is required. Incorrect or incomplete forms received will not be processed and will be returned to you for amendment.

We must receive your completed forms by 28 February 2012 at the latest.

The Alstom Pensions Department will let you know that your form(s) have arrived. Remember that once you have transferred your Equitable Life / Standard Life AVC fund to the Friends Life AVC you will not be able to switch from the Friends Life AVC back to the Equitable Life / Standard Life AVC fund.

What happens next?

If you decide to transfer your fund in the Equitable Life / Standard Life AVC arrangement to the Friends Life AVC and we receive your completed transfer form by **28 February 2012**, we will aim to transfer your fund within two weeks of this deadline. One bulk transfer payment will be made in respect of all members who have requested to transfer – transfers will not be individually processed upon receipt of each transfer form. Friends Life will send you a confirmation statement once the transfer has taken place.

If we receive your transfer form after **28 February 2012**, we cannot guarantee that we will be able to transfer your Equitable Life / Standard Life AVC fund to the Friends Life AVC. You may have another opportunity to transfer your Equitable Life / Standard Life AVC fund at a later date, but there is no guarantee of this.

What action do I need to take if I DO NOT wish to transfer my fund in the Equitable Life / Standard Life AVC arrangement to the Friends Life AVC?

If you do not want to transfer your fund in the Equitable Life / Standard Life AVC arrangement you do not need to take any action. Your funds will remain invested in the Equitable Life / Standard Life AVC. You may have another opportunity to transfer your Equitable Life / Standard Life AVC fund at a later date, but there is no guarantee of this.

Whom should I contact if I need more information?

If you need any more information please phone the Alstom Pensions Department on 01788 557402 or 557403.

January 2012