

Important news for active members of the ALSTOM Ltd Group Personal Pension Plan with Aviva (the 'Alstom GPP') who also have benefits in the ALSTOM Grid UK Group Personal Pension Plan (the 'Prudential Plan')

A communication on behalf of ALSTOM Ltd
(the 'Company')

YOUR PENSION OPTIONS

A photograph showing four people from behind, walking along a gravel path in a park. From left to right: a woman in a light pink hoodie, a man in a red polo shirt, a man in a brown jacket, and a woman in a yellow top. They are walking away from the camera towards a line of trees in the distance.

It's time to decide what you want to do with the funds you have built up in your arrangements in the Prudential Plan

We are shaping the future

ALSTOM



INTRODUCTION

The Company ceased contributing to the Prudential Plan with effect from 30 June 2012 and has been contributing to the new Alstom GPP since 1 July.

You now have a choice as to what happens to your arrangements in the Prudential Plan. You can either move them as part of a bulk transfer to the Alstom GPP or you can leave them in the Prudential Plan and use them in the future as you see fit.

This document explains:

- the options you have for your arrangements in the Prudential Plan;
- the decisions you need to make; and
- where to find out more.

Your options

Option 1:	Transfer your arrangements in the Prudential Plan to the Alstom GPP. Decision deadline: 28 September 2012	Page 4
Option 2: (the default)	Leave your arrangements in the Prudential Plan and they will become an ordinary Personal Pension Plan. You can then make decisions regarding your arrangements at any time, separately to any decisions you may need to make with regards to your benefits in the Alstom GPP.	Page 6
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Don't delay.

It is important that you make time now to consider your options.

If you wish to select Option 1 above, please return the enclosed Option to Transfer Form and the Prudential's Authority and Discharge Form by 28 September 2012.

If you wish to select Option 1 but do not confirm your decision by the 28 September deadline, then your arrangements in the Prudential Plan will not be transferred to the Alstom GPP (in other words you will be deemed to have chosen Option 2).

If you wish to select Option 2, you do not need to do anything. Your arrangements will remain in the Prudential Plan and they will become an individual Personal Pension Plan.

If you are in any doubt about the course of action you should take, you should consider seeking appropriate financial advice (see back page for details).

Whichever option you select for your arrangements in the Prudential Plan, please remember that you should review your pension investments on an ongoing basis to ensure they continue to meet your needs and retirement objectives. If unsure, you should seek appropriate financial advice.

Please note that the value of pension funds can go down as well as up and neither the value of the fund nor any benefits it may provide are guaranteed. This means that you may not get back as much as has been invested. Past fund performance is not a guide to future fund performance.



To see the current value of your arrangements in the Prudential Plan, please visit the member website at www.pruetire.co.uk

YOUR OPTIONS

Option 1: Transfer your arrangements in the Prudential Plan to the Alstom GPP

If you select this option, the value of the arrangements you have built up in the Prudential Plan will be transferred into your fund in the Alstom GPP. This will form part of a 'bulk transfer' of members' arrangements from the Prudential Plan to the Alstom GPP which the Company is arranging. The Alstom GPP provider, Aviva, has arranged that the bulk transfer will have an 'out of market' protection (see 'The costs involved in selecting this option' on page 5).

Once your arrangements have been transferred to the Alstom GPP, neither you nor your dependants will be entitled to any further benefits under the Prudential Plan, as these will be provided by the Alstom GPP.

How this option works

What happens

If you select this option, your arrangements will be transferred into the same funds in which you have chosen to invest the contributions currently being paid into your fund in the Alstom GPP – and in the same proportions. So, for example, if you are only investing these contributions in the Alstom Mixed Investment Lifestage Approach, the full amount of your Prudential Plan arrangements will be transferred into this investment fund. If you have not already done so, you may wish to review the way your contributions are invested in the Alstom GPP before the transfer is made.

To remind yourself of the investment options that currently apply to your fund in the Alstom GPP, please log on to Aviva's Pension Tracker, which you can access at www.aviva.co.uk/mypension/alstom. Alternatively, contact the Alstom GPP Helpdesk on 0800 260 0386 or refer to the Alstom GPP literature which provides information on investment funds and how the default investment option works.

The deadline for selecting this option is 28 September 2012.

The amount that will be transferred will be the value of your arrangements in the Prudential Plan on the date the transfer starts.

Aviva will write to you to confirm the number of units that your fund has purchased in the Alstom GPP.

Making changes

Once your arrangements have been transferred into the Alstom GPP, you can of course change your investment options at any time. (Remember, you can choose from a selection of over 200 investment funds.) You can do this online using Aviva's Pension Tracker, or by contacting the Alstom GPP Helpdesk.

When you retire

The fund you build up in the Alstom GPP is used to provide you with an income in retirement in a form that suits your needs. There is also the option to take up to 25% of your fund as a tax-free cash sum.

The costs involved in selecting this option

There is no administration charge if you decide to transfer your arrangements into the Alstom GPP under this option.

Also, during the period when your money has been disinvested from the Prudential Plan, but before it has been reinvested in the Alstom GPP, there is likely to be a short period of time when your pension benefits will not be invested. This is known as being 'out of market' and Aviva has made arrangements to protect you against this risk.

Once your arrangements have been transferred to the Alstom GPP, the only charges that will apply are the annual management charges associated with the fund (or funds) you have chosen to invest in.

Points to consider

There are no penalties for transferring your arrangements in the Prudential Plan to the Alstom GPP and there are no other benefits or guarantees that could potentially be lost.

If you do decide to transfer funds to the Alstom GPP there is no guarantee that you will receive a greater pension at retirement – the value of your fund at retirement largely depends on the investment performance of the chosen funds and the charges applied.

The funds you have invested under the Prudential Plan are currently subject to an annual management charge (AMC) of 0.55% (unless you are invested in the Prudential Pre-Retirement Fund in which case an AMC of 0.45% applies).

The AMC under the Prudential Plan does not increase if contributions cease.

Any funds which are transferred to the Alstom GPP will be subject to the same charges that apply to new contributions being made to the Alstom GPP. The level of the AMC will depend on the investment option that you choose. Details of these charges can be found in the Alstom GPP information pack from Aviva that was sent to you in June. You can also find this information on the member website at www.aviva.co.uk/mypension/alstom.

Your decision

Do you want to transfer your arrangements in the Prudential Plan into the Alstom GPP?

Yes. Please let the Company know by completing the enclosed Option to Transfer Form and returning it by 28 September 2012.

You must also return the Prudential's Authority and Discharge Form at the same time.

Remember, for up-to-date information about your fund in the Alstom GPP and the benefits it could provide at retirement, please log on to Aviva's Pension Tracker at any time.

Please note that if you select this option and you leave the Company before the bulk transfer takes place, the Company will still be able to include you in the transfer.

No. Please consider the other option available to you (Option 2).

The image shows a document titled 'ALSTOM Option to Transfer Form'. It contains several sections of text and checkboxes. Section 1 asks for personal details like name, address, and date of birth. Section 2 is a declaration of understanding. Section 3 is a list of checkboxes for various conditions. At the bottom, there are fields for 'Your signature' and 'Date'. A circular callout highlights the 'I understand that my arrangements in the Prudential Plan will be transferred to the Alstom GPP' checkbox in Section 3.

Option 2: Leave your arrangements in the Prudential Plan

As explained on page 3, you do not need to move your arrangements in the Prudential Plan to the Alstom GPP.

You could choose to leave your arrangements in the Prudential Plan and they will become ordinary Personal Pension Plans. You can then make decisions regarding your arrangements at any time, separately to any decisions you may need to make with regards to your fund in the Alstom GPP.

There are a number of reasons why you may want to leave your arrangements in the Prudential Plan (see below), and you may wish to consider this option in conjunction with individual financial advice.

The reasons you may wish to retain the funds with the Prudential include the following:

a) Opportunity to continue with a fund that is separate to the Alstom GPP with different investment styles. You can now or in the future contribute directly to this fund but please note Alstom will not do so.

b) If you are aged 55 or over (or when you reach 55) you can withdraw your arrangements as a chosen mix of pension benefits. For example, part of your arrangements can be used to provide a tax-free cash lump sum even whilst you benefit from continuing contributions to the Alstom GPP. The balance will be used to buy a pension, either an annuity from the Prudential or with another insurance company.

c) You may transfer your arrangements in the Prudential Plan to another Registered Pension Scheme of your choice. This could include the Alstom GPP at a later time but in that case there would be no 'out-of-market' protection available as there is under Option 1.

d) If you are aged over 60 (or when you reach 60) you may be able to take your arrangements in the Prudential Plan as cash if either:

- You have pension benefits in all your pension schemes that are valued at £18,000 or less.

If the value of these pension benefits is spread across more than one scheme, you have the flexibility to take these benefits in stages over a 12-month period if you want. For example, you could take the value of your arrangements as a cash sum, but leave the pension benefits you have built up in your other schemes for the time being, to be taken as a cash sum at a later date (within the 12-month period).

- The value of your arrangements is less than £2,000.

There are a number of conditions that must apply if you want to select this option.

This is the default option that will automatically apply if you do not fill in and return your Option to Transfer Form and the Prudential's Authority and Discharge Form by 28 September 2012.

You will still have the option of transferring funds from the Prudential Plan at a later date if you do not transfer them now.

As and when you want to exercise any of these choices you will need to contact Prudential at the time.

Another option available to you would be to transfer to a Stakeholder pension policy which carries certain minimum standards laid down by the Government and enforced by regulators. There is a cap on the maximum charges that could be applied to the policy and certain guaranteed features are included such as a default investment option.

If you wish to consider options b and/or d. above, and are eligible to do so, please contact the Prudential directly to obtain further information regarding your options. However, you should be aware that the pension benefits you could secure if you retire early may be considerably lower than those you expect at your selected retirement age.

SOME POINTS TO NOTE



If you decide to remain in the Prudential Plan, remember to review the investment arrangements you have chosen for your arrangements on an ongoing basis to ensure they continue to meet your needs and retirement objectives. For details about the options available under the Prudential Plan, see the Prudential booklet called 'A Guide to Alstom Grid UK Fund Options'.

Please note that neither the Company, nor the professional advisers that the Company has appointed to help us with this exercise – Aon Hewitt Limited – are providing you with advice in respect of your arrangements in the Prudential Plan. The transfer is merely being facilitated on your behalf on a 'non-advised' basis without any advice having been provided on the merits of the transfer.

The Prudential will deal with all transfer requests received before 28 September 2012 in a single exercise. This bulk transfer exercise is covered by the payment of fees by Alstom to Aon Hewitt Limited and no commission will be paid to Aon Hewitt Limited by Aviva.

This announcement was approved by Aon Hewitt Limited whose registered office is 8 Devonshire Square, London, EC2M 4PL. Aon Hewitt Limited is authorised and regulated by the Financial Services Authority and its registration number, as detailed on the Financial Services Authority Register is 539659. You can check this by visiting www.fsa.gov.uk/pages/register or by contacting the Financial Services Authority Consumer Helpline on 0845 606 1234.

If you have a complaint about Aon Hewitt Limited please contact the Compliance Department, Aon Hewitt at 3 The Embankment, Sovereign Street, Leeds, LS1 4BJ or by telephone on 0113 245 3445. If you cannot settle your complaint with Aon Hewitt Limited, you may be entitled to refer it to the Financial Ombudsman Service.

Aon Hewitt Limited, Prudential and Aviva are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if Aon Hewitt Limited, Prudential or Aviva cannot meet their obligations. Further information is available on the FSCS website at www.fscs.org.uk, and the FSCS can be contacted by telephone on 0800 678 1100 or 020 7741 4100.

Your personal policy within the Prudential Plan falls into the 'insurance advising and arranging' category for compensation entitlement purposes.

Your decision

IF YOU WANT TO LEAVE YOUR ARRANGEMENTS IN THE PRUDENTIAL PLAN, YOU DO NOT NEED TO DO ANYTHING.

For the avoidance of any doubt you should only complete and return the enclosed Option to Transfer Form and the Prudential's Authority and Discharge Form if you wish to be part of the bulk transfer to the Alstom GPP, as outlined under Option 1 on pages 4 and 5.

YOUR CONTACTS

If you want more information

For information about the pension options explained in this guide

Please contact Aon Hewitt Limited.

E-mail: alstom.helpline@aonhewitt.com

Phone: **0845 0701582** between 9am and 5pm, Monday to Friday

For information about the ALSTOM Grid UK Group Personal Pension Plan with the Prudential

For detailed information about the Prudential Plan, or to check the current value of your arrangements, visit the member website at www.pruetire.co.uk

If you have any questions, please contact the Prudential.

Secure e-mail:

http://www.pru.co.uk/contact_us/prumail

Phone: **0845 075 2244**

Write to: Customer Service Centre, Prudential, Stirling FK9 4UE

For information about the ALSTOM Ltd Group Personal Pension Plan with Aviva

For detailed information, including access to information about your individual benefits, visit the member website at www.aviva.co.uk/my pension/alstom

If you have a question about the GPP or your benefits, please contact the Alstom Helpdesk (run by Aviva):

E-mail: alstom@aviva.co.uk

Phone: **0800 260 0386** between 9am and 5pm, Monday to Friday

If you need advice

This document is designed to provide you with the information you need to understand your pension options and what they might mean for you, but the law does not allow anyone employed by the Company to provide individual financial advice.

The Money Advice Service is an independent organisation that provides free, unbiased information about all aspects of financial planning, including pensions and how to find an independent financial adviser (IFA) and what questions to ask. Visit their website at www.moneyadvice.service.org.uk or phone their helpline on 0300 500 5000 (call rates may vary).

You can find details of IFAs in your area online at www.unbiased.co.uk

It is important to check that whoever advises you on financial services and products is qualified and authorised to do so. Visit the Financial Services Authority website at www.fsa.gov.uk/register/home.do or phone their consumer helpline on 0845 606 1234.

You should also find out how much the adviser will charge for any advice they give.

Alstom UK Pensions
Newbold Road
Rugby
CV21 2NH

Tel: 01788 557 402 or
01788 557 403

www.pensions.uk.alstom.com
www.alstom.com/uk



In order to ensure fair processing under the Data Protection Act,

the Company wishes to advise you that it is necessary to share the personal data the Company previously provided to your current pension provider to Aviva and Aon Hewitt. This will enable them to answer any questions you may have. If you have any queries about this please contact the Company's pensions department on 01788 557400.

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