

FIRST DATA CORPORATION  
CHARTER OF THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS

A. Purpose and Organization

The purpose of the Audit Committee of the Board of Directors is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to: (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the qualifications and independence of the Company's external auditor (the "Independent Auditor"), and (iv) the performance of the Company's internal auditing department ("Internal Audit") and the Independent Auditor.

The Committee shall consist of two or more directors. Members and the Chairperson shall be appointed by the Board for such term as the Board may determine, and shall serve at the pleasure of the Board.

Each year the Committee shall establish a schedule of meetings; additional meetings may be scheduled as required.

A quorum at any Committee meeting shall be at least two members. All determinations of the Committee shall be made by a majority of its members present at a meeting duly called and held, except as provided herein (or where only two members are present, by unanimous vote). Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be fully as effective as if it had been made at a meeting duly called and held.

An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The Committee shall make regular reports to the Board of Directors.

Limitations on Committee's Role

The Board recognizes that while the Committee has been given certain duties and responsibilities pursuant to this Charter, the Committee is not responsible for guaranteeing the accuracy of the Company's financial statements or the quality of the Company's accounting practices. The fundamental responsibility for the Company's financial statements and disclosures rests with management. The Board also recognizes that meeting the responsibilities of an Audit Committee requires a degree of flexibility. To the extent that procedures included in this Charter go beyond what is required of an Audit Committee by existing law and regulation, such procedures are meant to serve as guidelines rather than rigid rules and the Audit Committee may adopt such different or additional procedures as it deems necessary from time to time.

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B. Committee Duties and Responsibilities

The Committee shall have the following duties and responsibilities and such other duties and responsibilities as may be assigned to the Committee from time to time by the Board. Except as otherwise noted, the Committee will determine the frequency with which it will perform the following enumerated duties and responsibilities as necessary to discharge its function.

1. Review the adequacy of this Charter at least annually.
2. Review and discuss the annual audited financial statements and quarterly financial statements with management and the Independent Auditor, including the disclosures under the caption “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” The Committee shall make a recommendation to the Board as to whether the annual audited financial statements should be included in the Company’s Annual Report on Form 10-K.
3. Review reports to management prepared by the Independent Auditor or Internal Audit and any responses to the same by management.
4. Be responsible for the appointment, retention, termination, compensation and oversight of the Independent Auditor. The Committee shall also be responsible for the resolution of disagreements between management and the Independent Auditor regarding financial reporting. The Independent Auditor shall report directly to the Committee.
5. Preapprove all auditing and non-audit services to be provided to the Company by the Independent Auditor, subject to any exceptions provided by applicable law or regulation. The Committee may delegate to one or more of its members the authority to grant such preapprovals, provided that any such decision of such member or members must be presented to the full Committee at its next scheduled meeting.
6. Obtain and review, at least annually, a report from the Independent Auditor describing: the Independent Auditor’s internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the Independent Auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the Independent Auditor, and any steps taken to deal with any such issues; and all relationships between the Independent Auditor and the Company, including the matters set forth in Independence Standards Board Standard No. 1. Discuss with the Independent Auditor any issues or relationships disclosed in such report that, in the judgment of the Committee, may have an impact on the competence or independence of the Independent Auditor.
7. Obtain and review annually, prior to the completion of the Independent Auditor’s annual audit of the Company’s year-end financial statements (the “Annual Audit”), a report from the Independent Auditor, describing (a) all critical accounting policies and practices to be used in the Annual Audit, (b) all alternative treatments of financial information within

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- generally accepted accounting principles related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditor, and (c) other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences. Review any reports on such topics or similar topics prepared by management. Discuss with the Independent Auditor any material issues raised in such reports.
8. Review and evaluate the lead audit partner of the Independent Auditor and assure the regular rotation of the lead audit partner, the concurring partner and other audit partners engaged in the Annual Audit.
  9. Obtain assurance from the Independent Auditor that the audit was conducted in a manner consistent with Section 10A of the Securities Exchange Act of 1934.
  10. Review the Company's financial reporting processes and internal controls, based on consultation with the Independent Auditor and Internal Audit. Such review shall include a consideration of major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, complex or unusual transactions and those that are highly judgmental, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of identified deficiencies.
  11. Discuss with the Independent Auditor the Independent Auditor's judgment about the quality, not just the acceptability, of the accounting principles applied in the Company's financial reporting.
  12. Discuss with the Independent Auditor the Independent Auditor's judgment about the competence, performance and cooperation of Internal Audit and management.
  13. Discuss with management and the senior executive of Internal Audit their views as to the competence, performance and independence of the Independent Auditor.
  14. Review with the Independent Auditor any audit problems or difficulties and management's response.
  15. Review with the Independent Auditor, Internal Audit and management the extent to which any previously-approved changes or improvements in financial or accounting practices and internal controls have been implemented.
  16. Review the effect of regulatory and accounting initiatives on the Company's financial statements.
  17. Review the effect of off-balance sheet structures, if any, on the Company's financial statements and related-party transactions for financial disclosure purposes.
  18. Discuss policies with respect to risk assessment and risk management, the Company's major financial risk exposures and the steps management has taken to monitor and

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control such exposures, it being understood that it is the job of management to assess and manage the Company's exposure to risk and that the Committee's responsibility is to discuss guidelines and policies by which risk assessment and management is undertaken.

19. Set clear hiring policies for employees or former employees of the Independent Auditor.
20. The senior executive of Internal Audit shall report directly to the Committee and administratively to the Company's General Counsel. The Committee shall review the performance at least annually and approve the retention or replacement of the senior executive of Internal Audit.
21. At least annually, review and approve (a) the planned scope of the Company's Internal Audit examinations and assessments and (b) the responsibilities, budget and staffing of Internal Audit. The Committee also shall review the results of such examinations and assessments.
22. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Review periodically with management and Internal Audit these procedures and any significant complaints received.
23. Meet separately, as needed, with management, Internal Audit and the Independent Auditor.
24. Report regularly to the Board, both with respect to the activities of the Committee generally and with respect to any issues that arise regarding the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Independent Auditor or the performance of Internal Audit.
25. Review with the Company's General Counsel, or appropriate delegates, the Company's compliance with legal and regulatory requirements as well as findings of regulatory agencies.
26. Take any action necessary to fulfill its duties and responsibilities as a Qualified Legal Compliance Committee pursuant to Part 205 to Title 17, Chapter II of the Federal Code of Regulations, including each of the following.
  - Adopt written procedures for the confidential receipt, retention, and consideration of any report of evidence of a material violation under Part 205.
  - Inform the Company's General Counsel and Chief Executive Officer (or the equivalents thereof) of any report of evidence of a material violation (except in the circumstances described in Part 205.3(b)(4)).

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- Make determinations whether an investigation is necessary regarding any report of evidence of a material violation by the issuer, its officers, directors, employees or agents and, if it determines an investigation is necessary or appropriate, to:
    - Notify the full Board of Directors;
    - Initiate an investigation, which may be conducted either by the General Counsel or by outside attorneys; and
    - Retain such additional expert personnel as the Committee deems necessary.
  - At the conclusion of any such investigation, to:
    - Recommend that the Company implement an appropriate response to evidence of a material violation; and
    - Inform the General Counsel and the Chief Executive Officer (or the equivalents thereof) and the Board of Directors of the results of any such investigation and the appropriate remedial measures to be adopted.
  - Take all other appropriate action, including the authority to notify the Securities and Exchange Commission in the event that the Company fails in any material respect to implement an appropriate response that the Committee has recommended.
27. Prepare any report of the Committee required by applicable securities laws or contractual commitments.
28. Perform such other duties and responsibilities, consistent with this Charter and governing law, delegated to the Committee by the Board.

C. Delegation to Subcommittee

The Committee may delegate a portion of its duties and responsibilities to a subcommittee of the Committee.

D. Resources and Authority

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other experts as it deems appropriate, without seeking approval of the Board or management.