

**First Data Corporation  
Charter of the Audit Committee  
of the Board of Directors**

**1.0 Purpose**

The purpose of the Audit Committee (Committee) of the Board of Directors (Board) of First Data Corporation is to assist the Board in fulfilling its oversight responsibilities with respect to: (1) the integrity of First Data's financial statements, (2) First Data's compliance with legal and regulatory requirements, (3) the qualifications, performance and independence of First Data's independent registered public accounting firm (Independent Auditor), and (4) the performance of First Data's internal auditing department (Internal Audit). The Committee is also responsible for producing a report required by the Securities and Exchange Commission (SEC) for inclusion in First Data's annual proxy statement.

**2.0 Organization**

The Committee shall be formed by the Board and shall consist of three or more members of the Board, each of whom shall be determined by the Board to be "independent" under the rules of the New York Stock Exchange (NYSE) and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended, subject to an election by First Data to rely upon the transition periods applicable to initial public offerings. Accordingly, the Committee shall have a fully independent committee within one year of the effective date of First Data's registration statement on Form S-1 in connection with the initial public offering of First Data's common stock.

All members of the Committee shall be financially literate and have a working familiarity with basic finance and accounting practices (or acquire such familiarity within a reasonable period after appointment). At least one member must have "accounting or related financial management expertise" in accordance with the rules of the NYSE. It is expected that at least one member of the Committee will be an "audit committee financial expert" as defined by the SEC and may be the same person as that with "accounting or related financial management expertise."

Members of the Committee shall be appointed by the Board for such term as the Board may determine and may be removed by the Board in its discretion. Unless a Chairperson is selected by the Board, the Committee members shall designate a Chairperson by the majority vote of the full Committee.

No Director may serve as a member of the Committee if such Director serves on the audit committees of more than two other public companies unless the Board (1) determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee and (2) discloses such determination either on or through First Data's website or in the annual proxy statement.

The Committee may, in its discretion, delegate for any purpose all or a portion of its duties and responsibilities to a subcommittee of the Committee.

### **3.0 Meetings**

The Committee shall meet at least quarterly or more frequently as circumstances dictate. The Chairperson of the Board or any member of the Committee may call meetings of the Committee. The Committee may request any director, officer, or employee of First Data, any outside counsel, the Independent Auditor, or any other persons it deems appropriate in order to carry out its responsibilities to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

A majority of the Committee shall constitute a quorum for the transaction of business and the act of a majority of those present at any meeting at which there is a quorum shall be the act of the Committee. Any decision or determination of the Committee reduced to writing and signed or electronically approved 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. All meetings of the Committee may be held telephonically.

An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee before each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities.

The Committee shall periodically meet separately with each of management, the manager of Internal Audit and the Independent Auditor to discuss any matters that the Committee or any of these persons or firms believe should be discussed privately.

### **4.0 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. The Committee may perform such other duties and responsibilities as are consistent with its purpose and as the Board or the Committee deems appropriate.

#### **Independent Auditor**

- 4.1 Be directly responsible for the appointment, retention, termination, compensation and oversight of the Independent Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for First Data (including the resolution of disagreements between management and such Independent Auditor regarding financial reporting), and each such Independent Auditor shall report directly to the Committee.
- 4.2 Approve in advance all audit and permitted non-audit services to be provided by the Independent Auditor. The Committee may delegate to one or more of its members the authority to grant such pre-approvals, provided that any such decision of such member or members must be presented to the full Committee at its next scheduled meeting.

- 4.3 Obtain and review, at least annually, a report from the Independent Auditor describing: (1) the Independent Auditor's internal quality-control procedures, (2) 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 (3) all relationships between the Independent Auditor and First Data, 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.
- 4.4 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 of First Data's year-end financial statements.

### **Financial Reporting Process**

- 4.5 In consultation with the Independent Auditor, management, and Internal Audit, review the integrity of First Data's financial reporting processes. In that connection, the Committee must obtain, review, and discuss with management and the Independent Auditor annually, prior to the completion of the Independent Auditor's annual audit of First Data's year-end financial statements, reports from the Independent Auditor and management, describing: (1) all critical accounting policies and practices to be used by First Data, (2) analysis prepared by management and/or the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including all alternative treatments of financial information within generally accepted accounting principles related to material items that have been discussed with management, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditor, (3) major issues regarding accounting principles and financial statement presentations, including any significant changes in First Data's selection or application of accounting principles, (4) major issues as to the adequacy of First Data's internal controls and any special audit steps adopted in light of material control deficiencies, and (5) other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences.
- 4.6 Discuss with the Independent Auditor the Independent Auditor's judgment about the quality, not just the acceptability, of the accounting principles applied in First Data's financial reporting.
- 4.7 Review analyses prepared by management or the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
- 4.8 Review the effect of regulatory and accounting initiatives on First Data's financial statements.

- 4.9 Review the effect of off-balance sheet structures, if any, on First Data's financial statements and related-party transactions for financial disclosure purposes.
- 4.10 Review with the Independent Auditor any audit problems or difficulties encountered by such firm in the course of the review or audit work, including any restrictions on the scope of its activities or on access to requested information, and any significant disagreements with management, and management's response to such matters.

### **Internal Audit**

- 4.11 Review and discuss with the Independent Auditors the responsibilities, budget and staffing of Internal Audit.
- 4.12 Discuss with management and the senior executive of Internal Audit their views as to the competence, performance and independence of the Independent Auditor.
- 4.13 Review reports to management prepared by Internal Audit and any responses to the same by management.
- 4.14 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.
- 4.15 At least annually, review the performance and approve the retention or replacement of the senior executive of Internal Audit, who shall report directly to the Committee and administratively to First Data's Chief Control Officer.
- 4.16 At least annually, review and approve (1) the planned scope of First Data's Internal Audit examinations and assessments and (2) the responsibilities, budget and staffing of Internal Audit. The Committee also shall review the results of such examinations and assessments.
- 4.17 Discuss with the Independent Auditor the Independent Auditor's judgment about the competence, performance and cooperation of Internal Audit and management.

### **Legal Compliance / General**

- 4.18 Establish procedures for (1) the receipt, retention and treatment of complaints received by First Data regarding accounting, internal accounting controls, or auditing matters and (2) the confidential, anonymous submission by employees of First Data of concerns regarding questionable accounting or auditing matters. Review periodically with management and Internal Audit these procedures and any significant complaints received.
- 4.19 Review and discuss First Data's major financial risk exposures and the steps management has taken to monitor and control such exposures, it being understood that it is the job of management to assess and manage First Data's exposure to risk and that the Committee's responsibility is to discuss guidelines and policies by which risk assessment and management is undertaken.

- 4.20 Set clear hiring policies for employees or former employees of the Independent Auditor.
- 4.21 Review and approve the decision to enter into swaps that are exempt from the requirements of sections 2(h)(1) and 2(h)(8) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- 4.22 Review with First Data's Chief Control Officer and General Counsel as appropriate, or appropriate delegates, First Data's compliance with legal and regulatory requirements as well as findings of regulatory agencies.

### **Documents/Reports Review**

- 4.23 Review and discuss the annual audited financial statements and quarterly financial statements with management and the Independent Auditor prior to public dissemination, including the disclosures under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations."
- 4.24 Make a recommendation to the Board as to whether the annual audited financial statements should be included in First Data's Annual Report on Form 10-K.
- 4.25 Discuss with the Independent Auditor the matters required to be discussed by the applicable auditing standards adopted by the Public Company Accounting Oversight Board (PCAOB) and approved by the SEC from time to time.
- 4.26 Review and discuss with management and the Independent Auditor First Data's earnings press releases (paying particular attention to the use of any "pro forma" or "adjusted" non-GAAP information and measures), as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee's discussion in this regard may be general in nature (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and need not take place in advance of each earnings release or each instance in which First Data may provide earnings guidance.
- 4.27 Review First Data'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 First Data'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 First Data's internal controls and any special audit steps adopted in light of identified deficiencies.

### **Reports**

- 4.28 Prepare the Committee report required by the rules of the SEC to be included in First Data's annual proxy statement and any other Committee reports required by applicable securities laws or stock exchange requirements.
- 4.29 Report the activities of the Committee to the Board on a regular basis and review issues with the Board as the Committee deems appropriate.

## **5.0 Annual Performance Evaluation**

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its members, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess periodically the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or appropriate. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.

## **6.0 Resources and Authority**

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

## **7.0 Limitations on Committee's Role**

The Board recognizes that while the Committee has been given certain duties and responsibilities under this Charter, the Committee is not responsible for certifying First Data's financial statements or guarantying the Independent Auditors Report. The fundamental responsibility for First Data's financial statements and disclosures rests with management while the Independent Auditor is responsible for conducting the annual audit in accordance with the standards of the PCAOB. 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 Committee may adopt such different or additional procedures as it deems necessary from time to time.