

# The Independent Trustees of the G.E.C. 1972 Plan

The Law Debenture Pension Trust Corporation p.l.c.

Burges Salmon Pension Trustees Limited

Bridge Trustees Limited

20 November 2007

Dear Member

## The GEC 1972 Plan (the "Plan")

As the newly appointed Independent Trustees of your Pension Scheme, we are very conscious of the responsibilities we owe to all the 62,000 members. We see the protection of your benefits, and the continued proper and independent use and application of the Plan's assets, as our primary obligations.

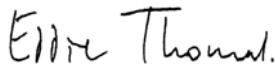
We have taken steps to delegate the day to day operation of the Plan back to the existing trustee, Stanhope Pension Trust Limited ("SPT") so members should not notice any change at all at the operational level. In particular, pensions will continue to be paid as normal.

The offer by Co-Investment No.5 LP ("CILP"), the special purpose vehicle of Pensions Corporation LLP ("PC") for telent plc has now been declared wholly unconditional. This means that telent will become privately owned by PC and its associated entities. We are holding discussions with PC as to future arrangements for the Plan. We have also agreed to meet with the union, Unite, which represents a significant number of Scheme members. We are mindful of the concerns expressed by SPT and The Pensions Regulator that led to our being appointed. Our key priorities for the discussions with PC are to establish:

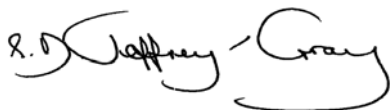
- a robust long term trustee structure for the Plan that ensures the independence of the trustee board (while still recognising telent's legitimate interest as sponsor of the Plan);
- the trustees' freedom to determine the investment strategy for the Plan as required by law; and
- the continuance of telent's ability and commitment to provide support for the Plan.

We will issue further announcements as and when there are significant developments to report. If you have any questions please call the telent Pensions Office on 01785 785400 or email [general.enquiries@telentpensions.co.uk](mailto:general.enquiries@telentpensions.co.uk).

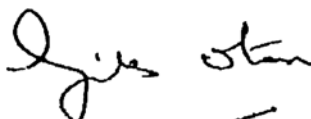
Yours sincerely



Eddie Thomas  
The Law Debenture Pension Trust Corporation p.l.c.



Sarah Jeffrey-Gray  
Burges Salmon Pension Trustees Limited



Giles Orton  
Bridge Trustees Limited