

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 30, 2016

DELUXE CORPORATION

(Exact name of registrant as specified in its charter)

Minnesota
(State or Other Jurisdiction
of Incorporation)

1-7945
(Commission
File Number)

41-0216800
(I.R.S. Employer
Identification No.)

3680 Victoria St. North, Shoreview, Minnesota
(Address of Principal Executive Offices)

55126-2966
(Zip Code)

Registrant's telephone number, including area code: **(651) 483-7111**

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Section 1 - Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

On December 30, 2016, Deluxe Corporation (the "Company") entered into Amendment No. 4 to Credit Agreement (the "Amendment"), which amended that certain Credit Agreement, dated as of March 12, 2010, by and among the Company, the institutions from time to time parties thereto as lenders, JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other lenders, Fifth Third Bank, as Syndication Agent, and U.S. Bank National Association, Union Bank, N.A., and PNC Bank, National Association as Co-Documentation Agents (as amended, the "Amended Credit Agreement").

The Amended Credit Agreement increased the existing term loan facility by \$130 million (from \$200 million to \$330 million). The Company drew on the increased term loan facility in the full amount of the increase on December 30, 2016. The proceeds of the increased term loan facility were used to fund the acquisition by the Company of First Manhattan Consulting Group, LLC and certain of its affiliates (together, "FMCG"). Amounts repaid or prepaid in respect of the term loan facility may not be reborrowed.

As of January 5, 2017, there was approximately \$761 million outstanding under the Amended Credit Agreement, comprised of \$431 million of revolving loans and \$330 million of term loans. The net available borrowings are approximately \$84 million, consisting of \$84 million of availability under the revolving credit facility and \$0 under the term loan facility. Interest accrues at an adjusted LIBOR plus 1.50% to 2.125% depending on the Company's Leverage Ratio (as defined in the Amended Credit Agreement) on the applicable date, or at an adjusted base or prime rate plus 0.50% to 1.125% depending on the Leverage Ratio.

The maturity date under the Amended Credit Agreement remains unchanged at February 21, 2019.

The obligations under the Amended Credit Agreement are guaranteed by certain of the Company's subsidiaries that are deemed "material" under the Amended Credit Agreement. Additional subsidiaries may become guarantors during the term of the Amended Credit Agreement based on the terms of the Amended Credit Agreement.

To secure the Company's obligations under the Amended Credit Agreement, the Company and each of the domestic material subsidiaries have granted to the Administrative Agent a security interest in substantially all their personal property, excluding certain assets.

The Amended Credit Agreement requires the Company to maintain certain financial ratios, including a maximum Leverage Ratio and a minimum ratio of Consolidated EBIT to Consolidated Interest Expense (as defined in the Amended Credit Agreement).

The Amended Credit Agreement has cross-default provisions that, in general, provide that a failure to pay principal or interest under other indebtedness in an aggregate principal amount exceeding \$35 million, or breach or default under indebtedness that permits the holders thereof to accelerate the maturity of at least that amount of indebtedness, will result in a default under the Amended Credit Agreement.

The Amended Credit Agreement also contains other events of default that would permit acceleration of the maturity under the Amended Credit Agreement, and covenants that limit various matters. These covenants include limitations on indebtedness, liens, investments, and acquisitions (other than capital expenditures), certain mergers, certain asset sales outside the ordinary course of business, "Change in Control" (as defined in the Amended Credit Agreement) of the Company, and other matters customary for credit facilities of this nature.

The description set forth above is qualified in its entirety by the Amendment, which is filed as Exhibit 10.1 to this Current Report and is incorporated herein by reference.

Section 2 - Financial Information

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information provided in Item 1.01 of this Current Report is incorporated herein by reference.

Section 7 - Regulation FD

Item 7.01. Regulation FD Disclosure.

On January 6, 2017, the Company issued a press release relating to the acquisition of FMCG and an updated financial outlook, which press release is furnished hereto as Exhibit 99.1.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Amendment No. 4 to Credit Agreement, dated as of December 30, 2016, by and among Deluxe Corporation, the financial institutions signatory thereto and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other lenders.
- 99.1 Press release, dated January 6, 2017, of Deluxe Corporation.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 6, 2017

DELUXE CORPORATION

/s/ J. Michael Schroeder

J. Michael Schroeder
Senior Vice President,
General Counsel and Secretary

INDEX TO EXHIBITS

Exhibits

- 10.1 Amendment No. 4 to Credit Agreement, dated as of December 30, 2016, by and among Deluxe Corporation, the financial institutions signatory thereto and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other lenders
- 99.1 Press release, dated January 6, 2017, of Deluxe Corporation

AMENDMENT NO. 4 to CREDIT AGREEMENT

THIS AMENDMENT NO. 4 TO CREDIT AGREEMENT (the "Amendment") is made as of December 30, 2016 by and among DELUXE CORPORATION (the "Borrower"), the financial institutions signatory hereto, JPMORGAN CHASE BANK, N.A., in its capacity as Administrative Agent for itself and the other Lenders (as defined below) (the "Administrative Agent") under that certain Credit Agreement dated as of March 12, 2010 by and among the Borrower, the financial institutions from time to time party thereto (the "Lenders") and the Administrative Agent (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Defined terms used herein and not otherwise defined herein shall have the meaning given to them in the Credit Agreement.

WITNESSETH

WHEREAS, the Borrower, the Lenders, and the Administrative Agent are parties to the Credit Agreement; and

WHEREAS, pursuant to the Omnibus Amendment No. 3 to the Credit Agreement, Amendment No. 2 to the Pledge and Security Agreement and Waiver, the Administrative Agent and the Lenders amended the Credit Agreement to, among other things, permit a term loan facility (the "Existing Term Loan Facility") in an aggregate principal amount of \$200,000,000, all on the terms and conditions set forth therein;

WHEREAS, the Borrower has requested that the Administrative Agent and the Lenders amend the Credit Agreement to increase the Existing Term Loan Facility (the "Increase") by an aggregate principal amount of up to \$130,000,000 to permit a term loan facility (including the Existing Term Loan Facility) in an aggregate principal amount of up to \$330,000,000;

WHEREAS, the Borrower, the Lenders and the Administrative Agent have agreed to amend the Credit Agreement in order to, among other things, effect the Increase, on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto have agreed to the following:

1. Amendments to the Credit Agreement. Effective as of the date hereof, subject to the satisfaction of the conditions precedent set forth in Section 2 below, the Credit Agreement is hereby amended as follows:

1.1 Section 1.01 of the Credit Agreement is hereby amended to insert the following definitions alphabetically therein:

"Amendment No. 4" means that certain Amendment to the Credit Agreement, dated as of December 30, 2016, by and among the Borrower, the Lenders party thereto and the Administrative Agent.

"Amendment No. 4 Effective Date" means December 30, 2016.

“First Manhattan Acquisition” means the acquisition by the Borrower or one of its Subsidiaries of all or substantially all of the equity or assets of First Manhattan Consulting Group, Inc. or one or more of its subsidiaries, if, at the time of and immediately after giving effect thereto, (a) no Default has occurred and is continuing or would arise after giving effect thereto, (b) all actions required to be taken with respect to such acquired or any newly formed Subsidiary under Section 5.09 shall have been taken, and (c) the Borrower and the Subsidiaries are (i) in compliance with the covenant contained in Section 6.12(b) as of the last day of the most recently completed fiscal quarter, and (ii) in compliance with the covenant contained in Section 6.12(a) on a pro forma basis reasonably acceptable to the Administrative Agent after giving effect to such acquisition (but without giving effect to any synergies or cost savings), with such covenants under this clause (ii) recomputed as of the last day of the most recently ended fiscal quarter of the Borrower for which Financials are available, as if such acquisition (and any related incurrence or repayment of Indebtedness, with any new Indebtedness being deemed to be amortized over the applicable testing period in accordance with its terms) had occurred on the first day of each relevant period for testing such compliance and, the Borrower shall have delivered to the Administrative Agent a certificate of a Financial Officer of the Borrower to such effect, together with all relevant financial information, statements and projections reasonably requested by the Administrative Agent.

“Initial Term Loans” means the Term Loans drawn on or about the Initial Term Loan Funding Date.

“Initial Term Loan Funding Date” means November 15, 2016.

“Second Draw” means the second and final draw of Term Loans, which shall occur on or after the Amendment No. 4 Effective Date but prior to the Term Loan Commitment Termination Date.

1.2 Section 1.01 of the Credit Agreement is hereby further amended to amend and restate the definitions of “Permitted Acquisition”, “Term Loan Commitment” and “Term Loan Commitment Termination Date” in their entirety as follows:

“Permitted Acquisition” means (A) the First Manhattan Acquisition and (B) any other acquisition (whether by purchase, merger, consolidation or otherwise, but excluding in any event a Hostile Acquisition) or series of related acquisitions by the Borrower or any Subsidiary of (i) all or substantially all the assets of or (ii) all or substantially all the Equity Interests in, a Person or division or line of business of a Person, if, at the time of and immediately after giving effect thereto, (a) no Default has occurred and is continuing or would arise after giving effect thereto, (b) such Person or division or line of business is engaged in the same or a similar line of business as the Borrower and the Subsidiaries or business reasonably related thereto, (c) all actions required to be taken with respect to such acquired or newly formed Subsidiary under Section 5.09 shall have been taken, (d) the Borrower and the Subsidiaries are (i) in compliance with the covenant contained in Section 6.12(b) as of the last day of the most recently completed fiscal quarter, and (ii) in compliance with the covenant contained in Section 6.12(a) on a pro forma basis reasonably acceptable to the Administrative Agent after giving effect to such acquisition (but without giving effect to any synergies or cost savings), with such covenants under this clause (ii) recomputed as of the last day of the most recently ended fiscal quarter of the Borrower for which Financials are available, as if such acquisition (and any related incurrence or repayment of Indebtedness, with any new Indebtedness being deemed to be amortized over the applicable testing period in accordance with its terms) had occurred on the first day of each relevant period for testing such compliance and, if the aggregate consideration paid in respect of such acquisition exceeds \$50,000,000, the Borrower shall have delivered to the Administrative Agent a certificate of a Financial

Officer of the Borrower to such effect, together with all relevant financial information, statements and projections reasonably requested by the Administrative Agent and (e) in the case of an acquisition or merger involving the Borrower or a Subsidiary, the Borrower or such Subsidiary is the surviving entity of such merger and/or consolidation.

“Term Loan Commitment” means, (a) as to any Lender, the aggregate commitment of such Lender to make Term Loans pursuant to the Second Draw as set forth on Schedule 2.01 (as amended by Amendment No. 4) or in the most recent Assignment and Assumption or other documentation contemplated hereby executed by such Lender, as it may be modified pursuant to the terms hereof and (b) as to all Lenders, the aggregate commitment to make Term Loans, which aggregate remaining commitment shall be \$130,000,000 as of the Amendment No. 4 Effective Date. After advancing any Term Loans, each reference to a Lender’s Term Loan Commitment with respect to such Term Loans shall refer to that Lender’s Applicable Percentage of such funded Term Loans.

“Term Loan Commitment Termination Date” means the earliest to occur of (a) the date of the Second Draw (it being understood and agreed that, unless previously terminated, any undrawn Term Loan Commitments shall be reduced to zero at 5:00 p.m. (Chicago time) on the date of the Second Draw), (b) March 21, 2017 and (c) any earlier date upon which the Term Loan Commitments are terminated in accordance with the terms hereof.

1.3 Section 1.01 of the Credit Agreement is hereby further amended to delete the definition of “Term Loan Funding Date” therefrom in its entirety.

1.4 Section 2.01 of the Credit Agreement is hereby amended to amend and restate clause (b) of the first sentence thereof in its entirety as follows: *“(b) each Term Lender with a Term Loan Commitment (severally and not jointly) agrees to make Term Loans to the Borrower in Dollars on any single date (in a maximum of two (2) draws; it being understood that the drawing of the Initial Term Loans on the Initial Term Loan Funding Date has occurred prior to the Amendment No. 4 Effective Date, and that only one remaining draw of Term Loans shall be available following the Amendment No. 4 Effective Date) during the Term Loan Availability Period, in an amount equal to such Lender’s Term Loan Commitment, by making immediately available funds available to the Administrative Agent’s designated account, not later than the time specified by the Administrative Agent.”*

1.5 The first sentence in Section 2.02(b) of the Credit Agreement is hereby amended to insert the word “each” immediately prior to the phrase “Term Loan Borrowing”.

1.6 Section 2.10(a) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(a) The Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Revolving Lender the then unpaid principal amount of each Revolving Loan on the Maturity Date and (ii) to the Swingline Lender the then unpaid principal amount of each Swingline Loan on the fifth Business Day after such Swingline Loan is made; provided that on each date that a Revolving Borrowing is made, the Borrower shall repay all Swingline Loans then outstanding and the proceeds of any such Borrowing shall be applied by the Administrative Agent to repay any Swingline Loans outstanding. Prior to the Second Draw, the Borrower shall repay the Term Loans on each date set forth below in the aggregate principal amount specified opposite such date in the column labeled “Initial Amortization Amount” (as adjusted from time to time pursuant to Section 2.11(a) and Section 2.11(b)). Following the Second Draw, the Borrower shall repay the Term Loans on

each date set forth below in an aggregate amount equal to the sum of (x) the aggregate principal amount specified opposite such date under the column “Initial Amortization Amount” plus (y) an amount equal to the percentage specified opposite such date under the column labeled “Additional Amortization Percentage” of the original principal amount of Term Loans drawn pursuant to the Second Draw (as such aggregate amount is adjusted from time to time pursuant to Section 2.11(a) and Section 2.11(b)):

<u>Date</u>	<u>Initial Amortization Amount</u>	<u>Additional Amortization Percentage</u>
March 14, 2017	\$5,000,000	2.5%
June 14, 2017	\$5,000,000	2.5%
September 14, 2017	\$5,000,000	2.5%
December 14, 2017	\$6,250,000	3.125%
March 14, 2018	\$6,250,000	3.125%
June 14, 2018	\$6,250,000	3.125%
September 14, 2018	\$6,250,000	3.125%
December 14, 2018	\$7,500,000	3.75%

To the extent not previously repaid, all unpaid Term Loans shall be paid in full in Dollars by the Borrower on the Maturity Date.

1.7 Section 2.12(a) of the Credit Agreement is hereby amended to delete the phrase “Amendment No. 3 Effective Date” therein and substitute the phrase “Amendment No. 4 Effective Date” therefor.

1.8 Section 2.20 of the Credit Agreement is hereby amended to delete the phrase “Amendment No. 3 Effective Date” from the first sentence thereof and substitute the phrase “Amendment No. 4 Effective Date (excluding the Second Draw)” therefor.

1.9 Section 3.16(a) of the Credit Agreement is hereby amended to delete the reference to “Term Loan Funding Date” therein and substitute “day of any extension of credit hereunder” therefor.

1.10 Section 4.03 of the Credit Agreement is hereby amended to amend and restate the lead-in thereto in its entirety as follows:

“SECTION 4.03. Funding of Term Loans. The obligation of each Term Lender to make the Initial Term Loans on the Initial Term Loan Funding Date was subject to the satisfaction of the following conditions precedent:”

1.11 Section 4.03(c) of the Credit Agreement is hereby amended to delete the phrase “Term Loan Funding Date” therein and substitute the phrase “Initial Term Loan Funding Date” therefor.

1.12 Section 5.08 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“SECTION 5.08. Use of Proceeds. The proceeds of the Revolving Loans will be used only (i) to finance the working capital needs, and for general corporate purposes, of the Borrower and its Subsidiaries in the ordinary course of business (ii) to finance Permitted Acquisitions and Limited Equity Acquisitions and Permitted Safeguard Distributor Transactions and (iii) to refinance the 2020 Bonds. The proceeds of the Initial Term Loans were used to repay outstanding amounts under the 2020 Bonds. The proceeds of the Term Loans funded under the Second Draw shall be used for general

corporate purposes of the Borrower and its Subsidiaries (including, but not limited to, the consummation of the First Manhattan Acquisition). No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X. The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not use, and the Borrower shall ensure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, business or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or in a European Union member state or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.”

1.13 Section 6.01(b) of the Credit Agreement is hereby amended to delete the reference to “Term Loan Funding Date” therein and to substitute “Initial Term Loan Funding Date” therefor.

1.14 Section 6.04(b) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(b) Permitted Acquisitions (other than the First Manhattan Acquisition) and Limited Equity Acquisitions; provided, that (i) the aggregate consideration paid in respect of any such Permitted Acquisition or Limited Equity Acquisition, when taken together with the aggregate consideration paid in respect of all such other Permitted Acquisitions and paid or contributed in respect of all other Limited Equity Acquisitions, does not exceed \$275,000,000 during any twelve-month period, (ii) the aggregate consideration paid in respect of any such Permitted Acquisition does not exceed \$150,000,000, (iii) the aggregate consideration paid in respect of all Limited Equity Acquisitions does not exceed \$50,000,000 during any twelve-month period, and (iv) the Leverage Ratio, calculated on a Pro Forma Basis after giving effect to such acquisition, does not exceed 3.00 to 1.00;”

1.15 Section 6.04 of the Credit Agreement is hereby amended to delete the word “and” at the end of clause (n) therein, to replace the “.” at the end of clause (o) therein with “; and”, and to add a new clause (p) immediately following clause (o) thereof as follows:

(p) the First Manhattan Acquisition.

1.16 Schedule 2.01 to the Credit Agreement is hereby amended and restated in its entirety in the form attached hereto as Exhibit A.

2. Conditions of Effectiveness. The effectiveness of this Amendment is subject to the conditions precedent that the Administrative Agent shall have received the following:

(A) duly executed originals of this Amendment from the Borrower, the Required Lenders (determined immediately before the effectiveness of this Amendment), the Term Lenders and the Administrative Agent, and the Consent and Reaffirmation attached hereto as Annex I duly executed by each Subsidiary Guarantor;

- (B) such other documents, instruments and agreements as the Administrative Agent may reasonably request (including, without limitation, those agreements, documents, instruments and other deliverables appearing in Annex II hereto);
- (C) and all fees and expenses due and payable on or prior to the date hereof in connection with this Amendment.

3. Representations and Warranties of the Borrower.

- (A) Each of this Amendment and the Credit Agreement as amended by this Amendment constitute the legal, valid and binding obligations of the Borrower, and are enforceable against the Borrower in accordance with their terms (except as enforceability may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally).
- (B) Upon the effectiveness of this Amendment and after giving effect hereto no Default or Event of Default has occurred and is continuing.
- (C) Upon the effectiveness of this Amendment and after giving effect hereto, the Borrower hereby reaffirms all covenants, representations and warranties made in the Credit Agreement as applicable, as amended hereby, and agrees that all such covenants, representations and warranties shall be true and correct as of the effective date of this Amendment (unless such representation and warranty is made as of a specific date, in which case such representation and warranty shall be true and correct as of such date).

4. References to the Credit Agreement.

- (A) Upon the effectiveness of Section 1 hereof, each reference to the Credit Agreement or "this Agreement" in the Credit Agreement or any other Loan Document shall mean and be a reference to the Credit Agreement as amended by this Amendment.
- (B) Except as specifically amended above, the Credit Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect, and are hereby ratified and confirmed. The Borrower (i) agrees that, except as specifically provided herein, this Amendment and the transactions contemplated hereby shall not limit or diminish the obligations of the Borrower arising under or pursuant to the Credit Agreement or the other Loan Documents to which it is a party, (ii) reaffirms its obligations under the Credit Agreement, the Pledge and Security Agreement and each and every other Loan Document to which it is a party and (iii) reaffirms all Liens on the Collateral which have been granted by it in favor of the Administrative Agent (for itself and the other Secured Parties) pursuant to any of the Loan Documents.
- (C) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement or any other documents, instruments or agreements executed and/or delivered in connection therewith.

5. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

6. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7. Counterparts. This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

DELUXE CORPORATION,
as the Borrower

By: /s/ Edward A. Merritt

Name: Edward A. Merritt

Title: Chief Financial Officer

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

JPMORGAN CHASE BANK, N.A., individually as a Lender
(including as a Term Lender), as the Swingline Lender, as the Issuing
Bank and as Administrative Agent

By /s/ Suzanne Ergastolo

Name: Suzanne Ergastolo

Title: Executive Director

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

FIFTH THIRD BANK, as a Lender (including as a Term Lender)

By /s/ Kurt Marsan

Name: Kurt Marsan

Title: Vice President

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

U.S. BANK NATIONAL ASSOCIATION, as a Lender (including as
a Term Lender)

By /s/ Andrew Beckman

Name: Andrew Beckman

Title: Vice President

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

MUFG UNION BANK, N.A., as a Lender

By /s/ Mark Maloney

Name: Mark Maloney

Title: Authorized Signatory

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

PNC BANK, NATIONAL ASSOCIATION, as a Lender (including
as a Term Lender)

By /s/ Michael T. Crowe

Name: Michael T. Crowe

Title: Senior Vice President

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

SUNTRUST BANK, as a Lender (including as a Term Lender)

By /s/ Lisa Garling

Name: Lisa Garling

Title: Director

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender
(including as a Term Lender)

By /s/ Sid Khanolkar

Name: Sid Khanolkar

Title: Director

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as a Lender

By /s/ Robert Hetu

Name: Robert Hetu

Title: Authorized Signatory

By /s/ Lingzi Huang

Name: Lingzi Huang

Title: Authorized Signatory

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., as a Term
Lender

By /s/ Mark Maloney

Name: Mark Maloney

Title: Authorized Signatory

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

BMO HARRIS BANK, N.A., as a Term Lender

By /s/ Sean T. Ball

Name: Sean T. Ball

Title: Vice President

SIGNATURE PAGE TO AMENDMENT No. 4 TO DELUXE CREDIT AGREEMENT

EXHIBIT A

SCHEDULE 2.01

COMMITMENTS

<u>LENDER</u>	<u>REVOLVING COMMITMENT</u>	<u>INITIAL TERM LOANS</u>	<u>TERM LOAN COMMITMENT¹</u>
JPMORGAN CHASE BANK, N.A.	\$92,000,000	\$30,000,000	\$17,500,000
FIFTH THIRD BANK	\$92,000,000	\$25,000,000	\$17,500,000
U.S. BANK NATIONAL ASSOCIATION	\$76,000,000	\$30,000,000	\$17,500,000
MUFG UNION BANK, N.A.	\$76,000,000	\$0	\$0
PNC BANK, NATIONAL ASSOCIATION	\$76,000,000	\$25,000,000	\$17,500,000
SUNTRUST BANK	\$53,000,000	\$30,000,000	\$17,500,000
WELLS FARGO BANK, NATIONAL ASSOCIATION	\$40,000,000	\$10,000,000	\$10,000,000
CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH	\$20,000,000	\$0	\$0
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.	\$0	\$25,000,000	\$17,500,000
BMO HARRIS BANK N.A.	\$0	\$25,000,000	\$15,000,000
AGGREGATE COMMITMENT	\$525,000,000	\$200,000,000	\$130,000,000

¹ As of the Amendment No. 4 Effective Date.

ANNEX I

CONSENT AND REAFFIRMATION

The undersigned hereby acknowledges receipt of a copy of the foregoing Amendment No. 4 to the Credit Agreement dated as of March 12, 2010 (as amended, restated, supplemented or otherwise modified, the "Credit Agreement") by and among Deluxe Corporation (the "Borrower"), the financial institutions from time to time party thereto (the "Lenders") and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders (the "Administrative Agent"), which Amendment No. 4 is dated as of December [], 2016 (the "Amendment"). Capitalized terms used in this Consent and Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreement. Without in any way establishing a course of dealing by the Lender, the undersigned (i) consents to the Amendment, (ii) reaffirms its obligations under the Subsidiary Guaranty, the Pledge and Security Agreement and each and every other Loan Document to which it is a party and (iii) reaffirms all Liens on the Collateral which have been granted by it in favor of the Administrative Agent (for itself and the other Secured Parties) pursuant to any of the Loan Documents and acknowledges and agrees that such Credit Agreement and each and every such Loan Document executed by the undersigned in connection with the Credit Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed. All references to the Credit Agreement contained in the above-referenced documents shall be a reference to the Credit Agreement as so modified by the Amendment.

Dated: December 30, 2016

[Signature Page Follows]

DELUXE ENTERPRISE OPERATIONS, LLC

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DELUXE SMALL BUSINESS SALES, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DELUXE MANUFACTURING OPERATIONS, LLC

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

SAFEGUARD BUSINESS SYSTEMS, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DELUXE FINANCIAL SERVICES, LLC

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DELUXE BUSINESS OPERATIONS, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

SAFEGUARD HOLDINGS, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

CHECKSBYDELUXE.COM, LLC

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DIRECT CHECKS UNLIMITED, LLC

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DIRECT CHECKS UNLIMITED SALES, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

SAFEGUARD ACQUISITIONS, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

SAFEGUARD FRANCHISE SYSTEMS, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

SAFEGUARD FRANCHISE SALES, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

WAUSAU FINANCIAL SYSTEMS, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DELUXE STRATEGIC SOURCING, INC.

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

SYNCSUITE, LLC

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

IMAGE DISTRIBUTION SERVICES

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

DATAMYX LLC

By: /s/ Edward A. Merritt
Name: Edward A. Merritt
Title: VP & Treasurer

ANNEX II

List of Closing Documents²

1. Amendment No. 4 to Credit Agreement (the "Amendment") by and among Deluxe Corporation (the "Borrower"), the lenders party thereto and JPMorgan Chase Bank, N.A. as administrative agent (the "Administrative Agent").
2. Consent and Reaffirmation executed by the Subsidiary Guarantors (together with the Borrower, the "Loan Parties").
3. Term Loan Notes to the extent requested by any Lender.
4. *Opinion of Dorsey & Whitney LLP, counsel to the Borrower, with respect to noncontravention, enforceability of the Loan Documents, and such other matters relating to the Borrower and the other Loan Parties, this Amendment or the Loan Documents, or the Collateral as the Administrative Agent shall reasonably request.*
5. *Opinion (addressed to the Administrative Agent and the Lenders and dated the date hereof) of in-house counsel to the Borrower, with respect to general corporate matters, noncontravention of laws and material indebtedness, and such other matters relating to the Borrower, this Amendment, the Loan Documents or the Collateral as the Administrative Agent shall reasonably request.*
6. *Opinions (addressed to the Administrative Agent and the Lenders and dated the date hereof) of local counsels to the Loan Parties (as applicable), with respect to general corporate matters, noncontravention of laws and material indebtedness, and such other matters relating to such Loan Parties, this Amendment, the Loan Documents or the Collateral as the Administrative Agent shall reasonably request.*
7. *Certificate of the Secretary or an Assistant Secretary of each Loan Party certifying and attaching (i) the Certificate of Incorporation or other charter document of such Loan Party, (ii) the By-Laws or other applicable organizational document of such Loan Party as in effect on the date of such certification, (iii) resolutions of the Board of Directors or other governing body of such Loan Party authorizing the execution and delivery of the Amendment and the performance of the Amendment and each Loan Document to which it is a party, as modified by and after giving effect to the Amendment, and (iv) the names and true signatures of the incumbent officers of such Loan Party authorized to sign the Amendment, and authorized to request a Borrowing under the Credit Agreement (if applicable).*
8. *Good standing certificate for each Loan Party from the Secretary of State of its jurisdiction of organization.*
9. *Financial statement projections through and including the Borrower's 2019 fiscal year, together with such information as the Administrative Agent and the Lenders shall reasonably request (including, without limitation, a detailed description of the assumptions used in preparing such projections).*

² Documents in *bold italics* to be delivered by the Borrower and counsel.

10. Officer's Certificate as to (i) the accuracy of all representations and warranties in the Loan Documents and (ii) no Default or Event of Default.



Deluxe Corporation
 P.O. Box 64235
 St. Paul, MN 55164-0235
 (651) 483-7111

NEWS RELEASE

For additional information:

Edward A. Merritt
 Chief Financial Officer, Treasurer and Vice President
 of Investor Relations
 Ph: (651) 787-1068
 Ed.Merritt@Deluxe.com or
Cameron Potts
 Vice President, Public Relations
 Ph: (651) 233-7735
 Cameron.Potts@Deluxe.com

FOR IMMEDIATE RELEASE

Deluxe Corporation Announces Acquisition of First Manhattan Consulting Group Provides Updated Financial Outlook

Shoreview, Minn. – January 6, 2017 – Deluxe Corporation announced today that it has acquired First Manhattan Consulting Group (FMCG Direct), a data driven, marketing services company. FMCG Direct, based in New York City, is an industry leader in marketing analytics and insights, providing clients with deep financial services expertise and proprietary research, along with marketing campaign design and execution.

Deluxe acquired privately-held FMCG Direct on December 30, 2016, for \$200 million, subject to customary adjustments. FMCG Direct is expected to deliver 2017 revenue of approximately \$80 to \$85 million and to be slightly dilutive to 2017 EPS by approximately \$0.05 per share for the full year. Historically, FMCG Direct's business has been seasonal with higher revenue occurring later in the year as a result of financial institution marketing timing. Management expects FMCG Direct's revenue to increase quarterly throughout 2017 and expects first quarter 2017 EPS dilution of approximately \$0.07 per share. The acquisition was financed through the existing revolving credit facility and an expansion of the credit facility term loan which has been increased to \$330 million.

The FMCG Direct suite of services will be included in the Deluxe Financial Services segment which includes check program management, marketing analytics for customer acquisition, customer loyalty programs, and treasury management services for financial institutions. Combining the strengths of Deluxe's deep background in the financial services space with FMCG Direct's data and analytics, this acquisition will give clients differentiated capabilities to profitably grow revenue, acquire new accounts and deepen customer relationships.

"FMCG Direct further enhances our data-driven marketing services portfolio, and creates a one-of-a-kind suite of capabilities for top tier financial institutions to acquire, cross-sell and retain consumer, small business and commercial relationships," said Lee Schram, chief executive officer of Deluxe Corporation. "The solutions FMCG Direct brings to market are complementary to Deluxe, continuing to strengthen our value proposition and market position."

"Deluxe has a proven track record of exceptional results with expanding data and analytics capabilities," said Bob Tetenbaum, president and co-founder of FMCG Direct. "After surveying our common capabilities and approaches to adding value to clients, we found that FMCG Direct's analytical approach to marketing services is the perfect fit to further enhance the Deluxe Marketing Services portfolio. We're excited to become part of the Deluxe family."

Founded in New York City, FMCG Direct is a provider of industry leading targeted marketing campaigns that leverage proprietary multi-sourced data sets and insights to generate a compelling business case and exceptional return on investment. The comprehensive and powerful FMCG Direct data-driven solution suite will be sold through the Deluxe Financial Services sales channel.

Deluxe also announced today that it is slightly revising its prior 2016 fourth quarter and full year outlook and announced a preliminary full year 2017 outlook including the expected results of FMCG Direct. The prior 2016 outlook assumed the FMCG Direct acquisition would close in late November 2016 and included approximately \$6 million of associated revenue. The 2016 revenue outlook has been revised to exclude this revenue reflecting the December 30, 2016 acquisition close as well as additional revenue softness in the holiday card product category. For both the fourth quarter and full year of 2016 compared to the prior outlook, diluted EPS was reduced by \$0.05 per share of transaction costs related primarily to the acquisition of FMCG Direct, \$0.04 per share of additional restructuring costs related primarily to severance, and \$0.04 per share of additional debt extinguishment costs from the redemption of the 2020 Senior Notes and the related settlement of interest rate swaps. Additional details regarding the 2017 outlook will be provided in the fourth quarter 2016 earnings release scheduled for January 26, 2017.

	Fourth Quarter 2016	
	Prior Outlook as of 10/27/2016	Current Outlook as of 1/6/2017
Revenue	\$481 to \$491 million	\$478 to \$481 million
Diluted EPS – GAAP	\$1.23 to \$1.28	\$1.10 to \$1.15
Adjusted Diluted EPS – Non-GAAP	\$1.34 to \$1.39	\$1.34 to \$1.39
	Full Year 2016	
	Prior Outlook as of 10/27/2016	Current Outlook as of 1/6/2017
Revenue	\$1.850 to \$1.860 billion	\$1.847 to \$1.850 billion
Marketing Solutions & Other Services Revenue	\$620 to \$625 million	approx. \$615 million
Diluted EPS – GAAP	\$4.78 to \$4.83	\$4.64 to \$4.69
Adjusted Diluted EPS – Non-GAAP	\$4.95 to \$5.00	\$4.95 to \$5.00

Deluxe Corporation Full Year 2017 Outlook including the expected results of FMCG Direct

	Full Year 2017	
	Prior Outlook as of 10/27/2016	Current Outlook as of 1/6/2017
Revenue	increase of 2 to 4 percent	\$1.935 to \$1.975 billion
Marketing Solutions & Other Services Revenue	increase of 12 to 15 percent	approx. \$735 to \$755 million
Diluted EPS – GAAP	increase of 3 to 6 percent	\$5.10 to \$5.30
Adjusted Diluted EPS – Non-GAAP	increase of 3 to 6 percent	\$5.10 to \$5.30

Adjusted Diluted earnings per share (EPS) is a non-GAAP measure. A reconciliation of diluted EPS on a GAAP basis to non-GAAP adjusted diluted EPS is provided at the end of this press release.

Advisors

Petsky Prunier Securities and Faegre Baker Daniels served as Deluxe’s financial and legal advisors while AGC Partners and Latham & Watkins served as FMCG Direct’s financial and legal advisors.

Call Information

Deluxe management will host a live conference call to discuss the acquisition on Friday, January 6, 2017 at 11:00A ET. Listeners can access the call by dialing 1-615-247-0252 (access code 41687744). A presentation also will be available via a simultaneous webcast on the investor relations website at www.deluxe.com/investor. Alternatively, an audio replay of the call will be available on the investor relations website or by calling 1-404-537-3406 (access code 41687744).

About Deluxe

Deluxe Corp. is a growth engine for small businesses and financial institutions. Nearly 4.5 million small business customers access Deluxe's wide range of products and services, including customized checks and forms, as well as website development and hosting, email marketing, social media, search engine optimization and logo design. For our approximately 5,100 financial institution customers, Deluxe offers industry-leading programs in checks, customer acquisition, fraud prevention and profitability. Deluxe is also a leading provider of checks and accessories sold directly to consumers. For more information, visit us at www.deluxe.com, www.facebook.com/deluxecorp or www.twitter.com/deluxecorp.

About FMCG Direct

FMCG Direct, a data driven, omni-channel marketing services company based in New York City, is an industry leader in marketing analytics and insights, providing clients with deep financial services expertise and proprietary research, along with marketing campaign design and execution. For more information, visit www.fmcgdirect.com.

Forward-Looking Statements

Certain statements contained in this communication, including statements about the acquisition of FMCG Direct, its effects, and the Company's outlook, constitute "forward-looking statements." Forward-looking statements can usually be identified by the use of words such as "aim," "anticipate," "believe," "continue," "could," "estimate," "evolve," "expect," "forecast," "intend," "looking ahead," "may," "opinion," "plan," "possible," "potential," "project," "should," "will" and other expressions which indicate future results, events or trends. Such statements reflect management's current expectations or beliefs, and are subject to risks and uncertainties that could cause actual results or events to vary from stated expectations, which variations could be material and adverse. Factors that could produce such a variation include, but are not limited to, the following: Deluxe may be unable to achieve expected synergies and operating efficiencies from the FMCG Direct acquisition within the expected time frames or at all; the integration of FMCG Direct into Deluxe's business may be unsuccessful, or more difficult, time consuming or costly than expected; revenues following the acquisition of FMCG Direct may be lower than expected; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the acquisition; uncertainties surrounding the acquisition; the impact that a deterioration or prolonged softness in the economy may have on demand for the Company's products and services; the inherent unreliability of earnings, revenue and cash flow predictions due to numerous factors, many of which are beyond the Company's control; declining demand for the Company's check and check-related products and services due to increasing use of other payment methods; intense competition in the check printing business; continued consolidation of financial institutions and/or additional bank failures, thereby reducing the number of potential customers and referral sources and increasing downward pressure on the Company's revenue and gross profit; risks that the Small Business Services segment strategies to increase its pace of new customer acquisition and average annual sales to existing customers, while at the same time maintaining its operating margins, are delayed or unsuccessful; risks that the Company's other recent acquisitions do not produce the anticipated results or revenue synergies; risks that the Company's cost reduction initiatives will be delayed or unsuccessful; performance shortfalls by one or more of the Company's major suppliers, licensors or service providers; unanticipated delays, costs and expenses in the development and marketing of products and services, including web services and financial technology solutions; the failure of such products and services to deliver the expected revenues and other financial targets; risks of unfavorable outcomes and the costs to defend litigation and other disputes; and the impact of governmental laws and regulations. Our forward-looking statements speak only as of the time made, and we assume no obligation to publicly update any such statements. Additional information concerning these and other factors that could cause actual results and events to differ materially from the Company's current expectations are contained in the Company's Form 10-K for the year ended December 31, 2015.

Diluted EPS Reconciliation

The Company's management believes that Adjusted Diluted EPS provides useful additional information for investors because it provides better comparability of ongoing performance to prior periods given that it excludes the impact of certain items (loss on debt extinguishment, restructuring and transaction-related costs) that impact the comparability of reported net income and which management believes to be non-indicative of ongoing operations. It is reasonable to expect that one or more of these excluded items will occur in future periods, but the amounts recognized can vary significantly from period to period and may not directly relate to the Company's ongoing

operations. The presentation below is not intended as an alternative to results reported in accordance with generally accepted accounting principles (GAAP) in the United States of America. Instead, the Company believes that this information is a useful financial measure to be considered in addition to GAAP performance measures.

Adjusted EPS reconciles to reported EPS as follows:

	Outlook	
	Q4 2016	Full Year 2016
Adjusted Diluted EPS	\$1.34 - \$1.39	\$4.95 - \$5.00
Loss on debt extinguishment	(0.15)	(0.15)
Restructuring-related costs	(0.04)	(0.09)
Transaction-related costs	(0.05)	(0.07)
Reported Diluted EPS	\$1.10 - \$1.15	\$4.64 - \$4.69

###