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): March 7, 2005

DELUXE CORPORATION
(Exact name of registrant as specified in its charter)

Minnesota	**1-7945**	**41-0216800**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

3680 Victoria St. North, Shoreview, Minnesota	**55126-2966**
(Address of Principal Executive Offices)	(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:

o Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o 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.

In connection with the previously announced intention of Lawrence J. Mosner voluntarily to retire from his positions as Chairman of the Board of Directors and Chief Executive Officer of Deluxe Corporation ("Deluxe") upon the election of his successor to the position of Chief Executive Officer by the Board of Directors of Deluxe, Deluxe and Mr. Mosner entered into a Transition Agreement (the "Transition Agreement") on March 7, 2005. The Transition Agreement contemplates that the parties will enter into a Release (the "Release") upon Mr. Mosner's termination of his consultation arrangements described below under the Transition Agreement. A copy of the Transition Agreement is attached as Exhibit 10.1, and a copy of the Release is attached as an exhibit to the Transition Agreement.

Pursuant to the Transition Agreement, until the earlier to occur of December 31, 2005, or the date on which his successor as Chief Executive Officer is selected by Deluxe's Board of Directors (the "Retirement Date"), Mr. Mosner will continue to serve as Deluxe's Chairman and Chief Executive Officer and will be entitled to receive his current salary, bonus, stock option grants and other compensation, and shall be entitled to continue to participate in all benefit plans and programs that are customarily available to executive officers of Deluxe. Mr. Mosner shall participate in the Annual Incentive Plan for 2005, and be paid a prorated portion of the bonus that he would otherwise be entitled to receive under that plan for the portion of the calendar year 2005 for which he served as Chief Executive Officer; *provided that*, he shall not be entitled to defer any portion of that bonus under that Plan. In addition, the Compensation Committee has agreed to grant Mr. Mosner one-third of the grants that the Committee would normally expect to make to Mr. Mosner in 2005 in the absence of his voluntary retirement of stock options (equal to options to acquire 8,700 shares) and shares of restricted stock (equal to 1,800 shares), and the expected grant of long-term performance award shares for the 2005-2007 performance period (which shares vest on a pro rata basis over three years if the recipient is employed for at least one year of the performance period and Deluxe achieves its predetermined performance objectives for that period).

On the Retirement Date, Mr. Mosner will retire as Chairman and CEO and will, at the option of the Board of Directors, assist in the transition of his duties as CEO, including, at the direction and request of the new Chief Executive Officer, (i) representing Deluxe with key industry, civic and philanthropic constituents, (ii) assisting Deluxe's new CEO in maintaining and developing business relationships with key strategic partners, (iii) regularly meeting with the new CEO to review progress toward the refinement and execution of Deluxe's strategy, and (iv) assisting the new CEO in the recognition and motivation of employees in pursuing Deluxe's strategy. Mr. Mosner has agreed to provide such consultative transition services to the new Chief Executive Officer, for up to eight hours per week during a period of up to six months after the Retirement Date. In exchange for his duties as a consultant, Mr. Mosner shall be paid at the rate of $500 per hour for services performed, plus reimbursement for his reasonable out-of-pocket expenses.

Effective on the Retirement Date, Mr. Mosner's retirement shall be recognized as an "Approved Retirement" or a "Qualified Retirement" for purposes of vesting his restricted stock, restricted stock units, and stock options that are outstanding on such date, pursuant to the terms of the award agreements referenced in the Transition Agreement, and also would be recognized as a Qualified Retiree under Deluxe's medical plans. As such, from and after the Retirement Date, Mr. Mosner and his wife shall continue to be covered by the medical plans currently available to executive officers of Deluxe for the remainder of their lives, subject to any changes in such plans as may be made generally. Except as set forth in the Transition Agreement, after the Retirement Date, Mr. Mosner shall not continue to participate in any other benefits plans or programs of Deluxe.

In the event Mr. Mosner were to die or become disabled prior to the Retirement Date, he or his heirs, representatives or estate, as applicable, generally would be entitled to the same compensation and benefits described above, provided that he or such heirs, representatives or estate enter into the Release.

Item 1.02 Termination of a Material Definitive Agreement.

In the Transition Agreement, Deluxe and Mr. Mosner also agreed that the Severance Agreement effective as of March 1, 2001, and the Executive Retention Agreement, dated December 18, 2000, that had been entered into by them will each terminate effective on the Retirement Date. A copy of each of the Severance Agreement and the form of Executive Retention Agreement was previously filed by Deluxe as Exhibits 10.18 and 10.19, respectively, to Deluxe's Annual Report on Form 10-K for the fiscal year ended December 31, 2000.

The Severance Agreement provides that if, during its term, Mr. Mosner's employment with Deluxe were involuntarily terminated without cause (as described in the Severance Agreement), or Mr. Mosner left the company with good reason (as described in the Severance Agreement), Deluxe would be required to pay Mr. Mosner an amount in cash equal to (1) 12 months of severance pay at his or her then-current level of base monthly salary; (2) for a period of 12 months following the severance period, an additional monthly payment during each month in such period equal to the amount, if any, that his or her monthly base compensation as of termination exceeds the monthly compensation earned during that month; (3) executive-level outplacement services for up to 12 months; and (4) an additional lump sum payment of $13,000 to assist with other costs and expenses that may be incurred in connection with his or her employment transition.

Under the Executive Retention Agreement, if during the Mr. Mosner's "Employment Period" (as defined in the Retention Agreement), Deluxe were to terminate his employment other than for "cause" or "disability," or Mr. Mosner were to terminate his employment for "good reason" (as such terms are defined in the Retention Agreement), Mr. Mosner would be entitled to a lump sum payment equal to the sum of any unpaid base salary, deferred compensation and accrued vacation pay through the date of termination, plus a prorated annual incentive payment for the year of termination based on the greater of (1) Mr. Mosner's target bonus under Deluxe's annual incentive plan in respect of the year in which the termination occurs or, if greater, for the

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year in which the change of control (as defined in the Retention Agreement) occurs (the "Target Bonus") and (2) the annual incentive payment that the Executive would have earned for the year in which the termination occurs based upon projecting to the end of such year Deluxe's actual performance through the termination date. In addition, Mr. Mosner would be entitled to receive a lump sum payment equal to three times the sum of his annual base salary and the higher of the Target Bonus or the average of his annual incentive payments for the last three full fiscal years prior to the effective date of the change in control, plus three times the amount that would have been contributed by Deluxe or its affiliates to the retirement and supplemental retirement plans in which Mr. Mosner participated prior to his termination in respect of such sum. Certain resignations and terminations in anticipation of changes of control also constitute qualifying terminations. The Retention Agreement also provides for the continuation of Mr. Mosner's medical, disability, life and other health insurance benefits for up to a three-year period after a qualifying termination and to certain out-placement services.

The Retention Agreement also provides that, if any payment or benefit received or to be received by Mr. Mosner, whether or not pursuant to his or her Retention Agreement, would be subject to the federal excise tax on "excess parachute payments," Deluxe would pay to Mr. Mosner such additional amount as may be necessary so that he would realize, after the payment of such excise tax and any income tax or excise tax on such additional amount, the amount of such compensation.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

Exhibit Number	Description
10.1	Transition Agreement, dated March 7, 2005, by and between Deluxe Corporation and Lawrence J. Mosner.

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 thereunto duly authorized.

Date: March 10, 2005

DELUXE CORPORATION

/s/ Anthony C. Scarfone

Anthony C. Scarfone
Senior Vice President,
General Counsel and Secretary

TRANSITION AGREEMENT

This Transition Agreement ("Agreement") is entered into as of March 7, 2005, by and between Deluxe Corporation, a Minnesota corporation ("Deluxe"), and Lawrence J. Mosner ("Mosner"), an individual residing in the State of Minnesota.

WHEREAS, Mosner has served as the Chairman and Chief Executive Officer ("CEO") of Deluxe since December 2000, and has been a member of the Board of Directors of Deluxe (the "Board") since August 1999;

WHEREAS, Mosner has announced his intention voluntarily to retire from his officer and director positions with Deluxe upon the election by the Board of Mosner's successor as CEO of Deluxe;

WHEREAS, the Board wants to recognize Mosner's many years of loyal service to Deluxe and to provide for the smooth transition of the CEO position;

WHEREAS, the parties desire to set forth all matters regarding Mosner's retirement as CEO, resignation from the Board and his service as a consultant to the new CEO; and

WHEREAS, the Board believes it is in the best interests of Deluxe's shareholders to enter into this Agreement.

NOW THEREFORE, in consideration of the premises and the covenants herein, the sufficiency of which is hereby acknowledged, Mosner and Deluxe agree as follows:

1. Retirement as CEO. Effective on the earlier of: (i) December 31, 2005, and (ii) the date on which his successor as CEO is elected by the Board (the "Retirement Date"), Mosner shall retire as Deluxe's CEO, from all other officer positions he currently holds with Deluxe and its affiliates and from all director positions he holds with Deluxe and its affiliates. Effective upon the Retirement Date, the Severance Agreement, effective March 1, 2001, between Deluxe and Mosner (the "Severance Agreement"), and the Executive Retention Agreement dated December 18, 2000, between Deluxe and Mosner (the "Retention Agreement"), shall each terminate and be of no further force or effect.

2. Consulting Regarding Transition of CEO Duties. After the Retirement Date and for a period not to exceed six months (the "Transition Period") at the option of the Board, Mosner shall assist the new CEO in the transition of his duties as CEO in a diligent and business-like manner as and when reasonably requested by the new CEO, pursuant to the terms and conditions set forth below:

(a) Duration. Such assistance shall be limited to no more than eight hours per week of consultations by Mosner, which may be performed from any location that is mutually acceptable to Mosner and the new CEO.

(b) Duties. Such assistance may include, in each case, only at the direction and request of Deluxe's new CEO: (i) representing Deluxe with key industry, civic and philanthropic constituents, (ii) assisting Deluxe's new CEO in maintaining and developing business relationships with key strategic partners, (iii) regularly meeting with the new CEO to review progress toward the refinement and execution of Deluxe's strategy, and (iv) assisting the new CEO in the recognition and motivation of employees in pursuing Deluxe's strategy.

(c) Reporting Relationship. During the Transition Period, Mosner shall report to Deluxe's new CEO.

(d) Manner of Performance. During the Transition Period, Mosner shall perform all services and duties that reasonably may be required of him pursuant to the terms hereof, to the reasonable satisfaction of Deluxe. Mosner shall not take any action that would be adverse to Deluxe's business interests or that may subject Mosner, Deluxe or any of its affiliates to civil or criminal liability. In performing services hereunder, Mosner agrees to comply in full with all applicable laws, ethical standards, rules and regulations, and with Deluxe's conflict of interest policies. Mosner represents that, on the date of this Agreement, he does not have any interest in any entity that would violate Deluxe's conflict of interest policies or materially interfere in any manner with the performance of services under this Agreement. Subject to the restrictive covenants contained in this Agreement, including the non-disclosure and non-compete covenants, Mosner may engage in activities on his own behalf or on behalf of entities other than Deluxe and its affiliates, and may allocate his time between his obligations under this Agreement and such other activities in any manner Mosner deems appropriate, so long as Mosner's obligations under this Agreement are satisfied. Mosner will have the sole right to supervise, manage, control and direct the performance of the details incident to Mosner's duties described in this Agreement.

(e) Independent Contractor Status. Deluxe is retaining Mosner in the capacity of an independent contractor and not as an employee or agent of Deluxe or any of its affiliates. Mosner shall not be authorized at any time to execute any transaction on behalf of Deluxe or any of its affiliates. Nothing in this Agreement shall create, or shall be construed as creating, any form of partnership, joint venture, employer-employee relationship, or other affiliation that would permit Mosner to bind Deluxe or any of its affiliates with respect to any matter or would cause Deluxe or any of its affiliates to be liable for any action of Mosner. Neither Deluxe nor Mosner will represent to any third party that Mosner's engagement by Deluxe hereunder is in any capacity other than as an independent contractor. Except as provided in Section 5 of this Agreement, Deluxe shall not be obligated to maintain any insurance for Mosner, including, but not limited to, medical, dental, life or disability insurance. Except as required by law, Mosner will not be eligible to participate in any employee benefit plan or program of Deluxe. To the extent Mosner employs others in providing services under this Agreement, Mosner agrees to comply with all applicable workers' compensation laws and to provide satisfactory evidence of such compliance to Deluxe on request.

3. Compensation Until the Retirement Date. Mosner shall continue to receive his current salary, bonus payable for 2004 performance and other compensation to which he is entitled in his current position with Deluxe to the Retirement Date. Mr. Mosner shall continue to receive the standard executive officer benefit of Company-paid reimbursements for financial and

tax planning for 2005, in an aggregate amount not to exceed $16,000 for such year. On the Retirement Date, all compensation related to Mosner's employment with Deluxe under all other agreements and arrangements, including all perquisite programs, shall cease, and no further compensation shall be due from or paid by Deluxe to Mosner, except as contemplated in this Agreement or as otherwise required by law.

4. 2005 Compensation Determinations. The Compensation Committee of the Board (the "Committee") shall authorize the following compensation for Mosner for services as CEO during 2005:

(a) Annual Bonus. Mosner shall participate in the Annual Incentive Plan for 2005, and shall be entitled to be paid a pro-rated portion of the bonus that he would otherwise receive thereunder for the portion of the calendar year 2005 for which he served as CEO; *provided that*, Mosner shall not be eligible to defer any portion of this bonus into restricted stock units as set forth in such plan. Such bonus payout shall be made in February 2006, at the same time as payments under such plan are usually made.

(b) Long-Term Incentives. Mosner shall participate in the annual Long-Term Incentive Program ("LTIP") for 2005, the awards for which are expected to be made at the April 2005 Compensation Committee meeting, and to be awarded the following grants: (i) non-qualified options to acquire 8,700 shares of the Company's common stock (having an exercise price equal to the then-current market price per share), (ii) 1,800 shares of restricted common stock, and (iii) a standard grant of long-term performance award shares, in each case, subject to the standard terms and conditions of the Company's Stock Incentive Plan and applicable award agreements for each such grant or award. The grants set forth in clauses (i) and (ii) of this Section 4(b) constitute one-third of the grants that the Committee would normally expect to grant to Mosner in the absence of his voluntary retirement.

5. Compensation as Consultant. As compensation for Mosner agreeing to serve as a consultant to his successor as CEO, Deluxe shall make the following payments to and distributions for the benefit of, Mosner.

(a) Salary. During the Transition Period, Deluxe shall pay Mosner at the rate of $500 per hour of services performed as a consultant.

(b) Expenses. Deluxe shall reimburse Mosner for all reasonable out-of-pocket expenses incurred by him in connection with the performance of his services as a consultant during the Transition Period within 30 days following his delivery of an accounting of those expenses to Deluxe in accordance with Deluxe's then-current travel and business expense policy.

(c) Recognition of Qualified or Approved Retirement. Effective as of the Retirement Date, the Committee shall recognize Mosner's retirement as a (i) "Qualified Retirement" for purposes of Mr. Mosner's Restricted Stock Award Agreement dated May 4, 2004, his Performance Award Agreement dated May 4, 2004, and his Nonqualified Stock Option Agreements dated March 14, 2002, March 10, 2003 and May 4, 2004, and an "Approved Retirement" under Mr. Mosner's Agreement for Awards Payable in Restricted Stock Units dated March 2004, and his Nonqualified Stock Option Agreements dated May 9, 2000 and January 26,

2001, in all cases, with the Company, such recognition to include the grants of stock options, shares of restricted stock and performance share awards to be made in April 2005, as set forth in Section 4(b) hereof.

(d) Medical Coverage. Effective as of the Retirement Date, Mosner shall be deemed to be a "qualified retiree" under all medical plans currently available to executive officers of Deluxe. As a "qualified retiree," Mosner and his wife would continue to be covered under all medical plans currently available to executive officers of Deluxe for the remainder of his and his wife's lives, subject to any changes in such plans as may be made generally. Under current plan terms, costs would be shared by Mosner and Deluxe in the following proportions: until he reaches age 65, Mosner would bear 65% of the insurance premiums and Deluxe would bear 35%; at and after age 65, Mosner would bear 25% and Deluxe would bear 75%.

(e) Taxes and Withholding. To the extent required by the federal and applicable state income tax laws and regulations, Deluxe shall withhold and deduct from compensation during the Transition Period all required withholding and deductions.

(f) Interpretation. The existence of any dispute respecting the interpretation of this Agreement or the Release, or the alleged breach of this Agreement or the Release, will not nullify or otherwise affect Deluxe's obligations to recognize Mosner's retirement as "Qualified" or "Approved" pursuant to Sections 5(c) and 5(d) hereof.

6. Continued Executive Benefits.

(a) Prior to Retirement Date. Until the Retirement Date, Mosner shall be entitled to such medical, disability, life insurance coverage, vacation, sick leave, holiday benefits and any other benefits, in each case as are customarily made available to Deluxe's executive officers, all in accordance with Deluxe's benefits program in effect from time to time.

(b) After Retirement Date. After the Retirement Date, Mosner shall be entitled only to the benefits set forth in Section 4, Section 5(d) and the second sentence of Section 3 of this Agreement. For the avoidance of doubt, the parties acknowledge and agree that Mosner shall not continue to participate, after the Retirement Date, in any of the following plans, in each case, as amended to date, except with respect to balances of deferred accounts existing in any such plan as of the Retirement Date: (i) Amended and Restated 2000 Employee Stock Repurchase Plan, (ii) Deluxe Corporation Deferred Compensation Plan (2001 Restatement), (iii) Deluxe Corporation Executive Deferred Compensation Plan for Employee Retention and Other Eligible Arrangements, (iv) Deluxe Corporation Supplemental Benefit Plan, and (v) any executive perquisite plan of Deluxe, other than as set forth in the second sentence of Section 3 hereof.

(c) Death or Disability. In the event that Mosner dies prior to the Retirement Date, his heirs, representatives or his estate shall be entitled to the compensation and benefits described in Section 4(a) (using the actual days for which he acted as CEO to determine the pro-rated portion described therein), Section 4(b) and Section 5(d); *provided that* an authorized representative enters into the Release on behalf of such heirs, representatives or estate. In the event that Mosner becomes disabled to the degree that he cannot perform his normal duties as

Chairman and CEO prior to the Retirement Date, then he shall be entitled to the compensation and benefits described in Sections 4(a) (using the actual days for which he acted as CEO to determine the pro-rated portion described therein), Section 4(b) and Section 5(d); *provided that* he enters into the Release, or his authorized representative enters into the Release on his behalf.

7. Release. In consideration of the promises, covenants and other valuable consideration provided by Deluxe in this Agreement, Mosner agrees that, for him to be entitled to receive the payments and other benefits described in this Agreement, he will execute the Release attached hereto as Exhibit A on the Retirement Date. Deluxe will also execute the Release on the Retirement Date.

8. Confidential Information. Mosner will not make any unauthorized use, publication or disclosure, either during or after the Transition Period, of any information generated or acquired by him during his employment with Deluxe or during the performance of his consulting services under this Agreement, including, but not limited to, information of a confidential or trade secret nature ("Confidential Information"). Confidential Information includes information not generally known by or available to the public about or belonging to Deluxe or belonging to other persons to whom Deluxe may have an obligation to maintain information in confidence. Authorization for disclosure of Confidential Information may be obtained only through Deluxe's General Counsel or designee. Mosner will not disclose to Deluxe, or induce Deluxe to use, any confidential or trade secret information or material belonging to others.

9. Non-Competition. During the Transition Period and for a period of five consecutive years thereafter, Mosner agrees not to compete with Deluxe in accordance with the terms set forth below.

(a) As an inducement for Deluxe to enter into the Agreement, during the Transition Period and for a period of five years from the end of the Transition Period, Mosner will not, directly or indirectly, engage in, acquire, own or hold a business anywhere in the United States that competes with the business of Deluxe or any subsidiary of Deluxe as conducted prior to the completion of the Transition Period (the "Deluxe Restricted Business"), including as a proprietor, principal, agent, partner, officer, director, stockholder, employee, member of any association, consultant or otherwise.

(b) The restrictions set forth in Section 9(a) shall not prohibit the ownership by Mosner of up to two percent of the issued and outstanding capital stock of a publicly held entity carrying on a Deluxe Restricted Business, so long as Mosner does not participate in the control or take an active part in the management or direction thereof and does not in any way render services thereto.

(c) During the Transition Period and for a period of five years from the end of the Transition Period, except as otherwise agreed to in writing by Deluxe, Mosner agrees not to, and shall not cause or permit any of his affiliates to, directly or indirectly, (i) solicit for employment, induce or attempt to induce the termination of employment of any employee of Deluxe or any of its subsidiaries, or materially interfere with the employment relationship between Deluxe or any of its subsidiaries and any employee thereof or (ii) induce or attempt to

induce any customer or supplier of Deluxe to cease doing business with Deluxe, or materially interfere with the business relationship between Deluxe and any customer or supplier thereof. As used herein, "affiliate" of a person or entity shall mean any other person or entity which controls, is controlled by, or is under common control with, the initial person or entity.

(d) The parties intend that each of the covenants contained in this Section 9 shall be construed as a series of separate covenants, one for each state of the United States and each county of each state of the United States. Except for geographic coverage, each such separate covenant shall be deemed identical in terms to the covenant contained in the preceding subsections of this Section 9. If, in any judicial proceeding, a court shall refuse to enforce any of the separate covenants (or any part thereof) deemed included in those subsections, then such unenforceable covenant (or such part) shall be deemed eliminated from this Agreement for the purpose of those proceedings to the extent necessary to permit the remaining separate covenants (or portions thereof) to be enforced. In the event that the provisions of this Section 9 should ever be deemed to exceed the time or geographic limitations, or the scope of this covenant, permitted by applicable law, then such provisions shall be reformed to the maximum time or geographic limitations, as the case may be, permitted by applicable laws. The unenforceability of any covenant in this Section 9 shall not preclude the enforcement of any other of said covenants or provisions or of any other obligation of Mosner or Deluxe hereunder, and the existence of any claim or cause of action of Mosner or Deluxe against the other, whether predicated on the Agreement or otherwise, shall not constitute a defense to the enforcement by Deluxe of any of said covenants.

(e) It is understood and agreed that damages may be an inadequate remedy in the event of a breach or intended or threatened breach by Mosner of any of his covenants in this Section 9, and that any such breach may cause Deluxe irreparable injury and damage. Accordingly, Mosner agrees that Deluxe shall be entitled, without waiving any additional rights or remedies otherwise available to Deluxe, to injunctive and other such equitable relief in the event of a breach or intended or threatened breach of any of said covenants by Mosner.

10. Return of Property. Before the end of the Transition Period, Mosner shall return all equipment and property in his possession that belongs to Deluxe, including all files and programs stored electronically or otherwise that relate or refer to Deluxe, and all original and copies of documents, notes, memoranda or any other written materials that relate or refer to Deluxe, including material that constitutes Confidential Information, other than information or documents relating to Mosner's Deluxe compensation or benefit plans or programs in which he participates or participated.

11. Non-Disparagement. Mosner agrees that he will not, and will use his reasonable efforts not to allow anyone acting on his behalf or at his direction at any time to, criticize, defame or disparage Deluxe or the Released Parties, their plans, or their actions to any third party, either orally or in writing. Deluxe agrees that it will not, and it will use its reasonable efforts to cause the Released Parties to not, criticize, defame or disparage Mosner, his plans, or his actions to any third party, either orally or in writing. The provisions of this Section 13 shall not apply to any truthful statement(s) required to be made by Mosner, by any Released Party

or by any representative of Mosner or a Released Party in any legal proceeding or governmental (including all agencies thereof) or regulatory filing, investigation or proceeding.

12. Deluxe's Default in Payment. Should Deluxe default in timely payment on the due date of any payment or amount due under this Agreement, Mosner shall give written notice of such default to the person specified in or pursuant to this Agreement to receive notice on behalf of Deluxe. Deluxe shall have ten calendar days after the receipt of such a notice of default to cure any payment default.

13. Breach of this Agreement. If a court of competent jurisdiction determines that either party has breached or failed to perform any part of this Agreement, the parties agree that the non-breaching party shall be entitled to injunctive relief to enforce this Agreement and that the breaching party shall be responsible for paying the non-breaching party's costs and attorneys' fees incurred in enforcing this Agreement.

14. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

15. Ambiguities in this Agreement. The parties acknowledge that this Agreement has been drafted, prepared, negotiated and agreed to jointly, with advice of each party's respective counsel, and to the extent that any ambiguity should appear, now or at any time in the future, latent or apparent, such ambiguity shall not be resolved or construed against either party.

16. Notices. All notices and other communications hereunder shall be in writing. Any notice or other communication hereunder shall be deemed duly given if it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth:

If to Mosner: To his current residence address maintained in Deluxe's records.

If to Deluxe:

Deluxe Corporation
3680 Victoria Street North
Shoreview, MN 55126-2966
Attention: General Counsel and
Senior Vice President, Human Resources

Any party may send any notice or other communication hereunder to the intended recipient at the address set forth using any other means (including personal delivery, expedited courier, messenger services, facsimile, ordinary mail or electronic mail), but no such notice or other

communication shall be deemed to have been duly given unless and until it is actually received by the intended recipient. Any party may change the address to which notices and other communications hereunder are to be delivered by giving the other Party notice in the manner set forth herein.

17. Counterpart Agreements. This Agreement may be executed in multiple counterparts, whether or not all signatories appear on these counterparts, and each counterpart shall be deemed an original for all purposes.

18. Choice of Law. This Agreement shall be deemed performable by all parties in, and venue shall be in the state or federal courts located in, Ramsey County, Minnesota, and the construction and enforcement of this Agreement shall be governed by Minnesota law without regard to its conflict of laws rules.

19. No Assignment of Claims. Mosner shall not assign or delegate any of his rights or obligations under this Agreement without the prior written consent of Deluxe, and any attempted assignment without Deluxe's consent shall be void ab initio. Deluxe may assign this Agreement to any successor of Deluxe or any purchaser of all or substantially all of the assets of Deluxe.

20. Entire Agreement. This Agreement, the Release, any stock option agreements, any restricted stock agreements, any performance share awards, and any employee benefit plans or programs sponsored by Deluxe in which Mosner is a participant, set forth the entire agreement between the parties, and any and all prior agreements, understandings, or representations between the parties pertaining to the subject matter of this Agreement are superceded; *provided, however,* that the Severance Agreement and the Retention Agreement continue in full force and effect until terminated in accordance with Section 1 hereof.

21. Binding Effect of Agreement. This Agreement shall be binding upon Mosner, Deluxe and their heirs, administrators, representatives, executors, successors and permitted assigns.

22. Authority. The undersigned director of Deluxe represents and warrants that he has authority to enter into this Agreement on behalf of Deluxe.

[Signature Page to Follow]

The parties have duly executed this Agreement as of the date first written above.

DELUXE CORPORATION

/s/ Robert C. Salipante

By: Robert C. Salipante
Title: Director and Chair of the
Compensation Committee

/s/ Lawrence J. Mosner

Lawrence J. Mosner

EXHIBIT A

RELEASE

This Release ("Release") is entered into as of __________, 2005, by and between Deluxe Corporation, a Minnesota corporation ("Deluxe"), and Lawrence J. Mosner ("Mosner"), an individual residing in the State of Minnesota.

WHEREAS, this Release is executed pursuant to Section 11 of the Transition Agreement dated as of March __, 2005, by and between Deluxe and Mosner (the "Transition Agreement").

1. Mosner's Release. In consideration of the promises, covenants and other valuable consideration provided by Deluxe in the Transition Agreement and in this Release, Mosner hereby unconditionally releases and discharges Deluxe and its affiliates, and their current and former employees, officers, agents, directors, and shareholders (collectively referred to as "Released Parties") from any and all claims, causes of action, losses, obligations, liabilities, damages, judgments, costs, expenses (including attorneys' fees) of any nature whatsoever, known or unknown, contingent or non-contingent (collectively, "Claims"), that Mosner had or has as of the date of this Release arising (i) out of Mosner's hiring, employment, or retirement with Deluxe and (ii) under any federal or state law, including, but not limited to, the Age Discrimination in Employment Act of 1967, 42 U.S.C. §§ 1981-1988, Title VII of the Civil Rights Act of 1964, the Equal Pay Act, the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1986, the National Labor Relations Act, the Occupational Safety and Health Act, the Fair Labor Standards Act, the Family and Medical Leave Act of 1993, the Workers Adjustment and Retraining Notification Act, the Americans with Disabilities Act of 1990, the Minnesota Labor Code, the Minnesota Human Rights Act, and any provision of the state or federal Constitutions or Minnesota common law. This Release includes but is not limited to any claims Mosner may have for salary, wages, severance pay, vacation pay, sick pay, bonuses, benefits, pension, stock options, overtime, and any other compensation or benefit of any nature. This release also includes but is not limited to all common law claims including but not limited to claims for wrongful discharge, breach of express or implied contract, implied covenant of good faith and fair dealing, intentional or negligent infliction of emotional distress, violation of public policy, defamation, conspiracy, invasion of privacy, and/or tortious interference with current or prospective business relationships. Furthermore, Mosner relinquishes any right to re-employment with Deluxe or the Released Parties. Mosner also relinquishes any right to further payment or benefits under any employment agreement, benefit plan or severance arrangement maintained or previously or subsequently maintained by Deluxe or any of the Released Parties or any of its respective predecessors or successors, except that he does not release any rights he has under the Transition Agreement. Mosner also does not release his right to enforce the terms of this Release or the Transition Agreement or his right to indemnification and advancement of expenses under any agreement he has entered into with Deluxe, under Deluxe's charter or by-laws or under any insurance policy maintained by Deluxe that is applicable to its current or former directors and officers, or under any applicable law relating to officers, directors or employees.

2. Deluxe's Release. Deluxe on its own behalf and on behalf of its corporate affiliates hereby unconditionally releases and discharges Mosner from any and all Claims that they had or have as of the date of this Release, except to the extent that such Claims arise from intentional wrongdoing or any violations of law by Mosner. However, Deluxe does not release its right to enforce the terms of this Release or the Transition Agreement.

3. No Claims Against Released Parties. Mosner warrants and represents that, to the full extent permitted by law, he will not bring against Deluxe or any of the Released Parties any claim or lawsuit seeking monetary damages that is related to any matters released by Mosner under Section 1 of this Release. Mosner agrees that if he brings or asserts any such action or lawsuit, he shall pay all costs and expenses, including reasonable attorneys' fees, incurred by Deluxe or the Released Parties in dismissing or defending the action or lawsuit. Nothing in this provision, however, shall be interpreted to prevent Mosner from bringing a claim or lawsuit to enforce the terms of this Release or the Transition Agreement. This Section 3 shall not apply to any claims Mosner may have asserting rights under the Older Worker Benefit Protection Act.

4. Rescission. Mosner has been informed of his right to revoke this Release insofar as it extends to potential claims under the Age Discrimination in Employment Act by informing Deluxe of his intent to revoke this Agreement within seven (7) calendar days following the Execution Date. Mosner has likewise been informed of his right to rescind this Release insofar as it relates to potential claims under the Minnesota Human Rights Act by written notice to Deluxe within fifteen (15) calendar days following the Execution Date. Mosner has further been informed and understands that any such rescission must be in writing and hand-delivered to Deluxe or, if sent by mail, postmarked within the applicable time period, sent by certified mail, return receipt requested, and addressed as follows:

Luann Widener
Senior Vice President, Human Resources
Deluxe Corporation
3680 Victoria Street North
Shoreview, MN 55126-2966

Mosner and Deluxe agree that if Mosner exercises this right of rescission, this Release shall be null and void and Mosner shall return to Deluxe any consideration paid or benefit provided pursuant to the Transition Agreement or this Release contemporaneously with the delivery of rescission notice. Mosner specifically understands and agrees that any attempt by him to revoke this Release after the specified period for rescission has expired is, or will be, ineffective.

5. No Claims Against Mosner. Deluxe warrants and represents that it will not bring any claim or lawsuit against Mosner related to any matters released by Deluxe under Section 2 of this Release. Deluxe agrees that if it brings or asserts any such action or lawsuit, it shall pay all costs and expenses, including reasonable attorneys' fees, incurred by Mosner in dismissing or defending the action or lawsuit. Nothing in this provision, however, shall be interpreted to prevent Deluxe from bringing a claim or lawsuit to enforce the terms of this Release or the Transition Agreement.

6. Breach of this Release. If a court of competent jurisdiction determines that either party has breached or failed to perform any part of this Release, the parties agree that the non-breaching party shall be entitled to injunctive relief to enforce this Release and that the breaching party shall be responsible for paying the non-breaching party's costs and attorneys' fees incurred in enforcing this Release.

7. Severability. If any provision of this Release is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

8. Ambiguities in this Release. The parties acknowledge that this Release has been drafted, prepared, negotiated and agreed to jointly, with advice of each party's respective counsel, and to the extent that any ambiguity should appear, now or at any time in the future, latent or apparent, such ambiguity shall not be resolved or construed against either party.

9. Opportunity to Review. Mosner has read this Release and agrees to the conditions and obligations set forth. Further, Mosner agrees that he has had adequate time to consider the terms of this Release, that he is voluntarily entering into this Release with full understanding of its meaning, and that he has in fact consulted with his attorneys for advice in connection with this Release.

10. Notices. All notices and other communications hereunder will be in writing. Any notice or other communication hereunder shall be deemed duly given if it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth:

If to Mosner: To his current residence address maintained in Deluxe's records.

If to Deluxe:

Deluxe Corporation
3680 Victoria Street North
Shoreview, MN 55126-2966
Attention: General Counsel, and
Senior Vice President, Human Resources

Any party may send any notice or other communication hereunder to the intended recipient at the address set forth using any other means (including personal delivery, expedited courier, messenger services, facsimile, ordinary mail or electronic mail), but no such notice or other communication shall be deemed to have been duly given unless and until it is actually received by the intended recipient. Any party may change the address to which notices and other communications hereunder are to be delivered by giving the other Party notice in the manner set forth herein.

11. Counterpart Agreements. This Release may be executed in multiple counterparts, whether or not all signatories appear on these counterparts, and each counterpart shall be deemed an original for all purposes.

12. Choice of Law. This Release shall be deemed performable by all parties in, and venue shall be in the state or federal courts located in, Ramsey County, Minnesota, and the construction and enforcement of this Release shall be governed by Minnesota law without regard to its conflict of laws rules.

13. No Assignment of Claims. Mosner represents and warrants that he has not transferred or assigned to any person or entity any Claim involving Deluxe or the Released Parties or any portion thereof or interest therein. Deluxe represents and warrants on its own behalf and on behalf of its corporate affiliates that they have not transferred or assigned to any person or entity any Claim involving Mosner or any portion thereof or interest therein.

14. Authority. The undersigned officer *[director] of Deluxe represents and warrants that he has authority to enter into this Release on behalf of Deluxe and its affiliates.

15. Binding Effect of Release. This Release shall be binding upon Mosner, Deluxe and their heirs, administrators, representatives, executors, successors and permitted assigns.

16. Time to Sign and Return Release. Mosner acknowledges and agrees that he first received the original of this Release on or before ________, 2005. Mosner also understands and agrees that he has been given at least 21 calendar days from the date he first received this Release to obtain the advice and counsel of the legal representative of his choice and to decide whether to sign it. Mosner acknowledges that he has been advised and has sought the advice of his own counsel. No payments or benefits pursuant to the Transition Agreement shall become due until Mosner has executed this Release. Mosner represents and agrees that he has thoroughly discussed all aspects and effects of this Release with his attorney, that he has had a reasonable time to review this Release, that he fully understands all the provisions of this Release and that he is voluntarily entering into this Release. BY SIGNING THIS RELEASE, MOSNER ACKNOWLEDGES THAT HE HAS CAREFULLY READ THIS RELEASE, THAT HE UNDERSTANDS ALL OF ITS TERMS, AND THAT HE IS ENTERING INTO IT VOLUNTARILY. HE FURTHER ACKNOWLEDGES THAT HE IS AWARE OF HIS RIGHTS TO REVIEW AND CONSIDER THIS RELEASE FOR 21 DAYS AND TO CONSULT WITH AN ATTORNEY ABOUT IT, AND STATES THAT BEFORE SIGNING THIS RELEASE, HE HAS EXERCISED THESE RIGHTS TO THE FULL EXTENT THAT HE DESIRED. HE ALSO ACKNOWLEDGES THAT HE WILL BE RECEIVING BENEFITS THAT HE WOULD NOT OTHERWISE BE ENTITLED TO RECEIVE EXCEPT BY VIRTUE OF HIS ENTERING INTO THIS RELEASE.

[Signature Page to Follow]

The parties have duly executed this Release as of the date first written above.

DELUXE CORPORATION

By: ____________________________________

Title: ____________________________________

LAWRENCE J. MOSNER

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