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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2004

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 001-16427

Certegy Inc.

(Exact name of registrant as specified in its charter)

Georgia
(State or other jurisdiction of incorporation or organization)

58-2606325
(I.R.S. Employer Identification No.)

11720 Amber Park Drive
Alpharetta, Georgia
(Address of principal executive offices)

30004
(Zip Code)

(678) 867-8000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title of each class	Number of shares outstanding at October 31, 2004
Common stock, \$0.01 par value	62,510,311

CERTEGY INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CERTEGY INC.
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(In thousands, except per share amounts)

	Three Months Ended September 30,	
	2004	2003
Revenues	\$ 262,660	\$ 231,952
Operating expenses:		
Costs of services	186,142	162,244
Selling, general and administrative expenses	29,465	27,922
	215,607	190,166
Operating income	47,053	41,786
Other income, net	294	474
Interest expense	(3,259)	(2,045)
Income from continuing operations before income taxes	44,088	40,215
Provision for income taxes	(16,313)	(14,980)
Income from continuing operations	27,775	25,235
Income from discontinued operations, net of taxes of \$0.8 million and \$0.6 million, respectively (Note 4)	1,325	1,090
Net income	\$ 29,100	\$ 26,325
Basic earnings per share of Common Stock		
Income from continuing operations	\$ 0.44	\$ 0.39
Income from discontinued operations	0.02	0.02
Net income	\$ 0.46	\$ 0.40
Diluted earnings per share of Common Stock		
Income from continuing operations	\$ 0.44	\$ 0.38
Income from discontinued operations	0.02	0.02
Net income	\$ 0.46	\$ 0.40
Average shares outstanding (Note 6)		
Basic	62,588	65,019
Diluted	63,849	65,820
Dividends per share of Common Stock (Note 13)	\$ 0.05	\$ 0.05

The accompanying notes are an integral part of these Consolidated Financial Statements.

CERTEGY INC.
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(In thousands, except per share amounts)

	Nine Months Ended September 30,	
	2004	2003
Revenues	\$ 757,664	\$ 672,948
Operating expenses:		
Costs of services	546,937	479,760
Selling, general and administrative expenses	89,935	83,322
Other (Notes 5 and 16)	—	12,203
	<u>636,872</u>	<u>575,285</u>
Operating income	120,792	97,663
Other income, net	599	1,457
Interest expense	(9,388)	(5,354)
	<u>112,003</u>	<u>93,766</u>
Income from continuing operations before income taxes	112,003	93,766
Provision for income taxes	(41,441)	(34,928)
	<u>70,562</u>	<u>58,838</u>
Income from continuing operations	70,562	58,838
Income from discontinued operations, net of taxes of \$2.4 million and \$1.6 million, respectively (Note 4)	4,133	2,647
	<u>\$ 74,695</u>	<u>\$ 61,485</u>
Net income		
	<u>\$ 74,695</u>	<u>\$ 61,485</u>
Basic earnings per share of Common Stock		
Income from continuing operations	\$ 1.12	\$ 0.90
Income from discontinued operations	0.07	0.04
	<u>\$ 1.18</u>	<u>\$ 0.94</u>
Net income	<u>\$ 1.18</u>	<u>\$ 0.94</u>
Diluted earnings per share of Common Stock		
Income from continuing operations	\$ 1.10	\$ 0.89
Income from discontinued operations	0.06	0.04
	<u>\$ 1.16</u>	<u>\$ 0.93</u>
Net income	<u>\$ 1.16</u>	<u>\$ 0.93</u>
Average shares outstanding (Note 6)		
Basic	63,114	65,462
	<u>63,114</u>	<u>65,462</u>
Diluted	64,283	66,117
	<u>64,283</u>	<u>66,117</u>
Dividends per share of Common Stock (Note 13)	<u>\$ 0.15</u>	<u>\$ 0.05</u>

The accompanying notes are an integral part of these Consolidated Financial Statements.

CERTEGY INC.
CONSOLIDATED BALANCE SHEETS

(In thousands, except par values)

	September 30, 2004	December 31, 2003
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 43,458	\$ 22,280
Settlement deposits (Notes 4 and 17)	40,873	26,128
Trade accounts receivable, net of allowance for doubtful accounts of \$2,160 and \$1,883 in 2004 and 2003, respectively (Notes 4 and 17)	99,895	103,285
Settlement receivables (Notes 4 and 17)	48,349	59,196
Claims recoverable	28,747	46,478
Other receivables (Note 17)	36,235	26,907
Other current assets (Notes 4, 7 and 17)	20,682	22,995
Assets held for sale (Notes 4 and 17)	40,705	35,826
	<hr/>	<hr/>
Total current assets	358,944	343,095
Property and equipment, net (Note 8)	61,089	58,897
Goodwill, net (Notes 4 and 9)	224,635	187,627
Other intangible assets, net (Notes 4, 9 and 17)	26,685	10,332
Systems development and other deferred costs, net	120,337	118,788
Other assets, net (Note 10)	71,930	66,308
	<hr/>	<hr/>
Total assets	\$ 863,620	\$ 785,047
	<hr/>	<hr/>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses (Notes 4 and 17)	\$ 55,662	\$ 40,237
Settlement payables (Notes 4 and 17)	89,222	85,324
Claims payable	21,057	38,270
Compensation and benefit liabilities (Note 17)	20,775	20,535
Income taxes payable	13,767	8,887
Other payables (Note 17)	16,374	10,855
Other current liabilities (Notes 4, 11 and 17)	32,148	29,496
Liabilities related to assets held for sale (Notes 4 and 17)	16,927	11,536
	<hr/>	<hr/>
Total current liabilities	265,932	245,140
Long-term debt (Note 12)	287,165	222,399
Deferred income taxes (Notes 4 and 17)	44,057	42,892
Other long-term liabilities	16,755	13,477
	<hr/>	<hr/>
Total liabilities	613,909	523,908
	<hr/>	<hr/>
Commitments and contingencies (Note 15)		
Shareholders' equity:		
Preferred stock, \$0.01 par value; 100,000 shares authorized; none issued and outstanding		
Common stock, \$0.01 par value; 300,000 shares authorized; 69,507 shares issued and 62,503 and 64,352 shares outstanding in 2004 and 2003, respectively	695	695
Paid-in capital	250,899	249,351
Retained earnings	291,683	226,495
Deferred compensation	(10,848)	(10,187)
Accumulated other comprehensive loss (Note 13)	(76,972)	(75,854)
Treasury stock, at cost; 7,004 and 5,155 shares in 2004 and 2003, respectively	(205,746)	(129,361)
	<hr/>	<hr/>
Total shareholders' equity	249,711	261,139
	<hr/>	<hr/>
Total liabilities and shareholders' equity	\$ 863,620	\$ 785,047
	<hr/>	<hr/>

The accompanying notes are an integral part of these Consolidated Financial Statements.

CERTEGY INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(In thousands)

	Nine Months Ended September 30,	
	2004	2003
Cash flows from operating activities:		
Net income	\$ 74,695	\$ 61,485
Adjustments to reconcile net income to net cash provided by operating activities of continuing operations:		
Income from discontinued operations (Note 4)	(4,133)	(2,647)
Depreciation and amortization	34,643	31,118
Amortization of deferred compensation and financing costs	4,718	4,057
Other non-cash items	3,403	1,893
Deferred income taxes (Note 4)	607	(543)
Changes in assets and liabilities:		
Accounts receivable, net (Note 4)	6,946	17,370
Current liabilities, excluding settlement and claims payables (Note 4)	(5,186)	11,085
Claims accounts, net	646	(3,429)
Other current assets (Note 4)	1,967	(460)
Other long-term liabilities	3,060	1,956
Other assets (Note 4)	(4,392)	(6,910)
Net cash provided by operating activities	116,974	114,975
Cash flows from investing activities:		
Capital expenditures (Note 4)	(28,482)	(34,292)
Acquisitions, net of \$24,638 of cash acquired (Note 4)	(41,021)	—
Net cash used in investing activities	(69,503)	(34,292)
Cash flows from financing activities:		
Net borrowings (repayments) on revolving credit facility	61,540	(214,200)
Proceeds from note issuance, net of discount and payment of debt issuance costs	—	196,680
Treasury stock purchases	(87,797)	(39,838)
Dividends paid	(9,598)	—
Proceeds from exercise of stock options	8,466	2,879
Other	(417)	(5)
Net cash used in financing activities	(27,806)	(54,484)
Effect of foreign currency exchange rates on cash	(3,134)	4,719
Cash provided by (used in) discontinued operations (Note 4)	4,647	(418)
Net cash provided	21,178	30,500
Cash and cash equivalents, beginning of period	22,280	14,166
Cash and cash equivalents, end of period	\$ 43,458	\$ 44,666

The accompanying notes are an integral part of these Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
(Dollars in thousands, except per share amounts or unless otherwise noted)

1. Basis of Presentation

The Company provides credit and debit card processing and check risk management services to financial institutions and merchants in the U.S. and internationally through two segments, Card Services and Check Services (see Note 16 for segment information). Card Services provides card issuer services in the U.S., the U.K., Brazil, Chile, Australia, New Zealand, Ireland, Thailand, and the Caribbean. Additionally, Card Services provides merchant processing and e-banking services in the U.S. and card issuer software, support, and consulting services in numerous countries. Check Services provides check risk management services and related processing services in the U.S., the U.K., Canada, France, Ireland, Australia, and New Zealand.

The accompanying consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries and should be read in conjunction with the Company's consolidated financial statements and the notes to those statements for the year ended December 31, 2003 included in the Company's annual report on Form 10-K. Significant accounting policies disclosed in the annual report have not changed. All significant intercompany transactions and balances have been eliminated.

The Company has prepared these consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission. This information reflects all adjustments that are, in the opinion of management, necessary for a fair presentation of the consolidated financial position, results of operations, and cash flows for the interim periods presented. All adjustments made have been of a normal recurring nature. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the U.S. ("GAAP") have been condensed or omitted, although the Company believes that the disclosures are adequate to make the information presented not misleading. Certain prior period amounts have been reclassified to conform to the current period presentation. Results of operations reported for interim periods are not necessarily indicative of results for the entire year.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as reported amounts of revenues and expenses during the reporting periods. Actual results could differ from these estimates.

2. Significant Accounting Policies

Reserve for Card Losses. The Company recognizes a reserve for estimated losses related to its merchant processing and card issuing businesses based on historical experience and other relevant factors. This reserve amount is subject to risk that actual losses may be greater than the Company's estimates. At September 30, 2004 and December 31, 2003, the Company had aggregate card loss reserves of \$1.0 million and \$1.1 million, respectively, which are included in other current liabilities in the consolidated balance sheets.

Reserve for Check Guarantee Losses. In the Company's check guarantee business, if a guaranteed check presented to a merchant customer is dishonored by the check writer's bank, the Company reimburses its merchant customer for the check's face value and pursues collection of the amount from the delinquent check writer. The Company's merchant customers have approximately 60 days from the check date to present claims for dishonored checks to the Company. The Company has a maximum potential liability equal to the value of all checks presented to its merchant customers; however, through historical experience and analysis, the Company is able to reasonably estimate its liability for check returns. The Company recognizes a liability to its merchant customers for its estimated check returns (claims payable) and a receivable for amounts the Company estimates it will recover from the check writers (claims recoverable), based on historical experience and other relevant factors. The estimated check returns and recovery amounts are subject to the risk that actual amounts returned and recovered may be different than the Company's estimates. The Company had accrued claims payable and accrued claims recoverable of \$21.1 million and \$28.7 million, respectively, at September 30, 2004, and \$38.3 million and \$46.5 million, respectively, at December 31, 2003.

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The Company settles its claim obligations with merchants, on average, within 14 days from the date of receipt. Recoverability of claims from the check writers extends beyond this timeframe, but generally occurs within one year.

Stock-Based Compensation. Statement of Financial Accounting Standards (“SFAS”) No. 123, “Accounting for Stock-Based Compensation” (“SFAS 123”), as amended by SFAS No. 148, “Accounting for Stock-Based Compensation – Transition and Disclosure” (“SFAS 148”), establishes accounting and reporting standards for stock-based employee compensation plans. SFAS 148, which was issued in December 2002, requires disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and its effect on the reported results. As permitted by the standard, the Company has elected to apply APB Opinion No. 25 “Accounting for Stock Issued to Employees,” and related interpretations in accounting for its stock option plans. Accordingly, the Company does not recognize compensation cost in connection with its stock option plans. If the Company had elected to recognize compensation cost for these plans based on the fair value at the replacement date (for stock options that existed at the date of the Company’s spin-off from Equifax Inc.) and grant dates as prescribed by SFAS 123, net income and earnings per share would have been reduced to the following pro forma amounts for the three and nine months ended September 30, 2004 and 2003:

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
Net income as reported	\$29,100	\$26,325	\$74,695	\$61,485
Pro forma compensation cost, net of tax	(1,975)	(1,860)	(5,640)	(5,896)
Pro forma net income	\$27,125	\$24,465	\$69,055	\$55,589
Earnings per share (basic):				
As reported	\$ 0.46	\$ 0.40	\$ 1.18	\$ 0.94
Pro forma	\$ 0.43	\$ 0.38	\$ 1.09	\$ 0.85
Earnings per share (diluted):				
As reported	\$ 0.46	\$ 0.40	\$ 1.16	\$ 0.93
Pro forma	\$ 0.42	\$ 0.37	\$ 1.07	\$ 0.84

3. Acquisitions

On March 1, 2004, the Company completed the purchases of Game Financial Corporation (“Game Financial”), a provider of debit and credit card cash advances, ATM access and check cashing services in gaming institutions, and Crittson Financial Services LLC (“Crittson”), a full service provider of card and merchant processing services. The acquisition of Crittson further strengthens the Company’s U.S. market share as the leading third party credit card processor for community banks and credit unions. The acquisition of Game Financial positions the Company as a leading provider of comprehensive cash access services in the gaming industry, and broadens its check risk management product line and customer base. These acquisitions had an initial cash purchase price of \$39.2 million, net of \$24.6 million of cash acquired (approximately \$5.8 million of the Crittson acquisition price was reclassified to cash provided by (used in) discontinued operations for the merchant acquiring portion of the acquisition (Note 4)). The initial purchase price allocation resulted in identifiable intangible assets of \$16.4 million, which are being amortized over five to seven years, and goodwill of \$36.7 million. The Company expects that 100 percent of the goodwill resulting from these acquisitions will be tax deductible.

During the second and third quarters of 2004, we recorded certain purchase price allocation adjustments. These adjustments resulted in a net increase in goodwill of \$649 thousand to record adjustments to net assets acquired, net cash paid for working capital purchase price adjustments, and adjustments to identifiable intangible assets.

On August 6, 2004, the Company completed the acquisition of the assets of Caribbean CariCard Services, Inc. (“CariCard”), a third-party transaction processor in the Caribbean, for \$7.0 million in cash. CariCard provides a wide range of products and services to financial institutions, retailers, and the petroleum industry that service markets in 16 countries throughout the Caribbean. The preliminary purchase price allocation resulted in identifiable intangible assets of \$4.3 million, which are being amortized over seven years, and goodwill of \$2.2 million.

Additional consideration may be payable to the Company or to the sellers with respect to these acquisitions, which includes base revenue measurements, customer-based adjustments, and working capital adjustments. These vary in timing from ninety days to

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one year from the acquisition date. When and if paid, these adjustments will result in additional changes to the purchase price allocation.

These acquisitions were accounted for as purchases and their results of operations have been included in the consolidated statements of income from the dates of acquisition.

4. Discontinued Operations

The Company's merchant processing operations consist of two businesses, merchant acquiring, where the Company owns the merchant contract and the associated risk for cardholder chargebacks, and institution processing, where the Company provides authorization, settlement, and customer service to community banks that contract directly with merchant customers. The Company views merchant acquiring as a non-strategic business and over the past few years, has operated this business conservatively to reduce exposure to merchant risk, which in the short-term improved overall profitability but limited growth. In September 2004, the Board of Directors approved a plan to sell the Company's merchant acquiring business, at which time, the plan of sale criteria in FASB Statement No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," was met. The Company expects that the merchant acquiring business will be sold within a year.

The Company's financial statements reflect the merchant acquiring business as a discontinued operation with the related assets and liabilities classified under the captions "Assets held for sale" and "Liabilities related to assets held for sale" in the consolidated balance sheets. The results of operations are treated as income from discontinued operations, net of tax, and separately stated in the consolidated statements of income, below income from continuing operations. The merchant acquiring operations were historically included in the Card Services segment.

The Company will continue to operate the institution processing business, which remains complementary to its card issuing business.

Summarized financial information for the discontinued operation for the three months and the nine months ended September 30, 2004 and 2003 is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
Revenues	\$27,667	\$23,839	\$80,196	\$70,404
Operating expenses	25,564	22,102	73,636	66,186
Income before taxes	2,103	1,737	6,560	4,218
Income taxes	(778)	(647)	(2,427)	(1,571)
Income from discontinued operations	\$ 1,325	\$ 1,090	\$ 4,133	\$ 2,647

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The assets held for sale and liabilities related to assets held for sale as of September 30, 2004 and December 31, 2003 are as follows:

	September 30, 2004	December 31, 2003
Assets:		
Settlement deposits	\$ 3,077	\$ 3,510
Trade accounts receivable, net	5,735	4,873
Settlement receivables	7,257	5,976
Other current assets	99	—
Goodwill, net	4,005	—
Other intangible assets, net	20,532	21,467
	<hr/>	<hr/>
Assets held for sale	\$ 40,705	\$ 35,826
	<hr/>	<hr/>
Liabilities:		
Accounts payable and accrued expenses	\$ 1,333	\$ 1,363
Settlement payables	10,334	9,486
Other current liabilities	(340)	(360)
Deferred income taxes	5,600	1,047
	<hr/>	<hr/>
Liabilities related to assets held for sale	\$ 16,927	\$ 11,536
	<hr/>	<hr/>

Summarized cash flow information associated with the discontinued operation for the nine months ended September 30, 2004 and 2003 is as follows:

	Nine months ended September 30,	
	2004	2003
Income from discontinued operations	\$ 4,133	\$ 2,647
Deferred income taxes	4,573	539
Changes in assets and liabilities:		
Accounts receivable, net	(279)	(617)
Current liabilities, excluding settlement and claims payables	(138)	(154)
Other current assets	(13)	—
Other assets	2,327	1,688
	<hr/>	<hr/>
	10,603	4,103
	<hr/>	<hr/>
Capital expenditures	(156)	—
Acquisitions	(5,800)	(4,521)
	<hr/>	<hr/>
	(5,956)	(4,521)
	<hr/>	<hr/>
Cash provided by (used in) discontinued operations	\$ 4,647	\$ (418)
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5. Other Charges

It is the Company's policy to present other charges, such as severance, impairment, or restructuring charges, if significant for a given reporting period, on a separate line item within operating expenses in the consolidated statements of income. In the normal course of business, it is not unusual for the Company to have ongoing severance charges that are not significant and therefore, not presented separately in the consolidated statements of income.

During the first nine months of 2003, the Company recorded other charges of \$12.2 million (\$7.7 million after-tax, or \$0.12 per diluted share). These charges include \$9.6 million of early termination costs associated with a U.S. data processing contract, \$2.7 million of charges related to the downsizing of the Company's Brazilian card operation, and \$(0.1) million of other items. These charges were recorded in accordance with SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities," and

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SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." See Note 16 for details of these charges by segment.

The following table summarizes the severance charges and contract termination costs incurred to date as described above, the changes in the accruals through September 30, 2004, and the ending balances in the accruals:

	Costs Incurred To Date	Payments	Accrual September 30, 2004
Contract termination costs	\$ 9,804	\$ (9,804)	\$ —
Severance charges	910	(910)	—
	<u>\$ 10,714</u>	<u>\$ (10,714)</u>	<u>\$ —</u>

6. Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing net income by the weighted average number of common shares outstanding during the period. Diluted EPS reflects the potential dilution that would occur if stock options or other contracts to issue common stock were exercised and resulted in additional common shares outstanding during the period. A reconciliation of the average outstanding shares used in the basic and diluted EPS calculations is as follows (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
Weighted average shares outstanding—basic	62,588	65,019	63,114	65,462
Effect of dilutive securities:				
Stock options	946	552	854	406
Restricted stock	315	249	315	249
Weighted average shares outstanding—diluted	<u>63,849</u>	<u>65,820</u>	<u>64,283</u>	<u>66,117</u>

7. Other Current Assets

The Company's other current assets at September 30, 2004 and December 31, 2003 consist of the following:

	September 30, 2004	December 31, 2003
Prepaid expenses	\$ 14,766	\$ 11,658
Current deferred income taxes	2,132	1,933
Inventories and supplies	2,118	1,889
Other	1,666	7,515
	<u>\$ 20,682</u>	<u>\$ 22,995</u>

8. Property and Equipment

The cost of property and equipment is depreciated on a straight-line basis over estimated useful lives as follows: building—40 years; leasehold improvements—not to exceed lease terms; data processing equipment—3 to 5 years; and furniture and fixtures—3 to 8 years. Maintenance and repairs are charged to expense as incurred.

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Property and equipment at September 30, 2004 and December 31, 2003 consists of the following:

	September 30, 2004	December 31, 2003
Land	\$ 1,500	\$ 1,500
Building and improvements	38,417	37,794
Data processing equipment and furniture	126,070	114,316
	165,987	153,610
Less accumulated depreciation	(104,898)	(94,713)
	<u>\$ 61,089</u>	<u>\$ 58,897</u>

Equipment under capital lease, which is included in data processing equipment and furniture above, totaled \$4.2 million at September 30, 2004 and \$0.6 million at December 31, 2003. Accumulated depreciation related to these assets totaled approximately \$0.5 million at September 30, 2004 and \$44 thousand at December 31, 2003.

9. Goodwill and Other Intangible Assets

Information related to the Company's goodwill by segment is as follows:

	September 30, 2004	December 31, 2003
Card Services	\$ 177,510	\$ 157,968
Check Services	47,125	29,659
	<u>\$ 224,635</u>	<u>\$ 187,627</u>

Information related to the Company's other intangible assets subject to amortization is as follows:

	September 30, 2004	December 31, 2003
Gross carrying amount	\$ 32,194	\$ 12,996
Accumulated amortization	(5,509)	(2,664)
Net book value	<u>\$ 26,685</u>	<u>\$ 10,332</u>

The Company's other intangible assets primarily consist of acquired customer contracts, data files, and customer lists, which are generally amortized on a straight-line basis over their estimated useful lives, ranging from 5 to 15 years. Amortization expense associated with the Company's acquired intangible assets totaled \$1.1 million and \$0.5 million for the three months ended September 30, 2004 and 2003, respectively, and \$2.8 million and \$1.5 million for the nine months ended September 30, 2004 and 2003, respectively. Estimated amortization expense for the Company's acquired intangible assets for each of the five succeeding fiscal years is as follows: 2005—\$4.6 million; 2006—\$4.6 million; 2007—\$4.6 million; 2008—\$3.1 million; and 2009—\$3.1 million.

The change in the carrying amount of goodwill and other intangible assets from December 31, 2003 to September 30, 2004 was the result of the acquisitions of Game Financial, Crittson, and CariCard (Note 3), and currency translation adjustments.

The Company has no intangible assets with indefinite useful lives.

10. Other Assets

Other assets principally consist of prepaid pension cost, life insurance policies, purchased software, and deferred income taxes. The costs of purchased software used to provide services to customers or for internal administrative services are capitalized and amortized on a straight-line basis over five to eight years, as determined by their estimated useful lives.

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Other assets, net consist of the following:

	September 30, 2004	December 31, 2003
Prepaid pension cost	\$ 17,349	\$ 19,428
Cash surrender value of life insurance policies	13,893	10,816
Purchased software, net	9,224	11,425
Deferred income taxes	6,976	6,691
SERP intangible asset	3,617	4,356
Other	20,871	13,592
	<u>\$ 71,930</u>	<u>\$ 66,308</u>

11. Other Current Liabilities

The Company's other current liabilities at September 30, 2004 and December 31, 2003 consist of the following:

	September 30, 2004	December 31, 2003
Deferred revenue	\$ 8,143	\$ 8,833
Accrued interest	492	3,179
Other	23,513	17,484
	<u>\$ 32,148</u>	<u>\$ 29,496</u>

12. Long-Term Debt

Long-term debt at September 30, 2004 and December 31, 2003 consists of the following:

	September 30, 2004	December 31, 2003
Unsecured notes, 4.75%, due 2008, net of unamortized discount	\$ 199,512	\$ 199,420
Borrowings under revolving credit facility	61,540	—
Notes payable, 1.76%, due 2009	22,364	22,364
Capital lease obligations	3,749	615
	<u>\$ 287,165</u>	<u>\$ 222,399</u>

13. Shareholders' Equity

Comprehensive Income. The components of comprehensive income for the three and nine months ended September 30, 2004 and 2003 are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
Net income	\$29,100	\$26,325	\$74,695	\$61,485
Change in cumulative foreign currency translation adjustment	8,071	(1,644)	(1,225)	27,524
Change in cumulative loss from cash flow hedging activities	(139)	892	107	639
	<u>\$37,032</u>	<u>\$25,573</u>	<u>\$73,577</u>	<u>\$89,648</u>

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Accumulated other comprehensive loss at September 30, 2004 and December 31, 2003 consists of the following components:

	September 30, 2004	December 31, 2003
Cumulative foreign currency translation adjustment	\$ (76,332)	\$ (75,107)
Cumulative loss from cash flow hedging activities	(640)	(747)
Accumulated other comprehensive loss	\$ (76,972)	\$ (75,854)

Treasury Stock. During the first nine months of 2004, the Company repurchased approximately 2.4 million shares of its common stock at an aggregate cost of \$87.8 million. Including approximately 6.1 million shares repurchased prior to 2004, the Company has repurchased a total of approximately 8.4 million shares through September 30, 2004. In May 2004, the Board of Directors of the Company approved a \$100 million share repurchase program, which replaced the prior authority. As of September 30, 2004, the Company had \$52.0 million remaining under this program for future share repurchases. During the first nine months of 2004, the Company reissued approximately 0.5 million treasury shares in connection with employee stock option exercises and restricted stock awards, net of cancellations.

Dividends. In February 2004, the Company's Board of Directors approved a quarterly common stock dividend of \$0.05 per share, or \$3.2 million, which was paid on April 15, 2004 to shareholders of record as of the close of business on April 1, 2004. In May 2004, the Company's Board of Directors approved a quarterly common stock dividend of \$0.05 per share, or \$3.2 million, which was paid on July 15, 2004 to shareholders of record as of the close of business on July 1, 2004. In August 2004, the Company's Board of Directors approved a quarterly common stock dividend of \$0.05 per share, or \$3.1 million, which was paid on October 15, 2004 to shareholders of record as of the close of business on October 1, 2004.

In August 2003, the Company's Board of Directors approved a quarterly common stock dividend of \$0.05 per share, or \$3.2 million, which was paid on October 15, 2003 to shareholders of record as of the close of business on October 1, 2003.

Deferred Compensation. During the first nine months of 2004, the Company granted approximately 0.1 million shares of restricted stock, net of cancellations to key employees under the Stock Incentive Plan. The shares become fully vested in three or four years if certain performance criteria are met; otherwise, they vest at the end of five years. Compensation expense associated with these awards can fluctuate each year based on the likelihood that the performance criteria will be met. Compensation expense associated with all restricted stock awards issued through September 30, 2004 was \$1.2 million and \$1.3 million for the three months ended September 30, 2004 and 2003, respectively, and \$3.7 million and \$3.2 million for the nine months ended September 30, 2004 and 2003, respectively.

14. Employee Benefits

Net periodic benefit cost for the Company's retirement, supplemental retirement ("SERP"), and postretirement benefit plans includes the following components for the three months and nine months ended September 30, 2004 and 2003:

	Retirement Plans		Postretirement Benefit Plan		Retirement Plans		Postretirement Benefit Plan	
	Three months ended September 30,				Nine months ended September 30,			
	2004	2003	2004	2003	2004	2003	2004	2003
Service cost	\$ 1,008	\$ 794	\$ 51	\$ 46	\$ 2,814	\$ 2,382	\$ 162	\$ 138
Interest cost	859	591	30	23	2,439	1,773	92	69
Expected return on plan assets	(1,103)	(1,079)	—	—	(3,319)	(3,237)	—	—
Recognized actuarial loss	281	—	—	—	499	—	—	—
Amortization of net (gain) or loss	—	—	(32)	(20)	—	—	(96)	(60)
Amortization of prior service cost	128	7	(13)	(43)	384	21	(43)	(129)
Net periodic benefit cost	\$ 1,173	\$ 313	\$ 36	\$ 6	\$ 2,817	\$ 939	\$ 115	\$ 18

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On December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (“the Act”) was enacted. The Act introduced both a Medicare prescription drug benefit and a federal subsidy to sponsors of retiree healthcare plans. In January 2004, the Financial Accounting Standards Board (“FASB”) issued FASB Staff Position No. 106-1 (“FSP 106-1”), “Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003.” This statement permitted a sponsor of a postretirement benefit plan that provides a prescription drug benefit to make a one-time election to defer recognizing the effects of the Act until authoritative guidance on accounting for the federal subsidy was issued or until certain other events occurred.

In May 2004, the FASB issued FASB Staff Position No. 106-2 (“FSP 106-2”), “Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003,” which superseded FSP 106-1. FSP 106-2, which became effective in the third quarter of 2004, provides guidance on accounting for the effects of the Act and requires certain disclosures regarding the effect of the federal subsidy provided by the Act. To qualify for the subsidy, plan sponsors of Medicare-eligible retirees must provide prescription drug benefits which are at least as valuable as the benefits that those retirees would be entitled to under Medicare Part D. The Company maintains a postretirement benefit plan which provides a prescription drug benefit. At this time, the Company cannot reasonably determine if the plan is eligible to receive federal subsidies. The Company is awaiting guidance from the Centers for Medicare and Medicaid Services, which is expected to clarify the criteria required to make this determination. However, the Company does not believe that the Act will have a material impact on the Company’s consolidated financial statements.

15. Commitments and Contingencies

Synthetic Leases. The Company is the tenant of certain real property located in St. Petersburg, Florida. The aggregate value of the building and land at that site when the Company entered into this arrangement was \$23.2 million. Subject to the satisfaction of certain conditions, the Company has the option to acquire this leased property at its original cost, or to direct the sale of this facility to a third party. The Company has provided a guarantee to the lessor that the proceeds from a sale of the facility to a third party will equal or exceed a certain percentage of the original fair market value of the leased property. The Company’s maximum exposure under this guarantee is approximately \$18.1 million.

Effective December 31, 2003, the Company began consolidating this lease arrangement into its consolidated financial statements in accordance with certain provisions of FASB Interpretation No. 46 (revised December 2003), “Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin No. 51” (“FIN 46”).

The Company is also a party to a synthetic lease arrangement with respect to its facilities in Madison, Wisconsin, which expires in 2009. The aggregate value of the building and land at that site when the Company entered into this arrangement was \$10.1 million. Subject to the satisfaction of certain conditions, the Company has the option to acquire this leased property at its original cost, or to direct the sale of this facility to a third party. The Company has provided a guarantee to the lessor that the proceeds from a sale of the facility to a third party will equal or exceed a certain percentage of the original fair market value of the leased property. The Company’s maximum exposure under this guarantee is approximately \$8.1 million.

This lease arrangement does not qualify as a variable interest entity under the provisions of FIN 46; therefore, it is not included in the consolidated financial statements of the Company.

Based on current market conditions, the Company does not expect to be required to make payments under either of these residual value guarantees.

The Company has entered into an interest rate swap arrangement to fix the variable interest rate on the Madison, Wisconsin lease obligation.

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16. Segment Information

Segment information for the three months and nine months ended September 30, 2004 and 2003 is as follows (intersegment sales and transfers, which are not material, have been eliminated):

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
Revenues:				
Card Services	\$ 149,542	\$ 140,209	\$ 433,124	\$ 411,136
Check Services	113,118	91,743	324,540	261,812
	<u>262,660</u>	<u>231,952</u>	<u>757,664</u>	<u>672,948</u>
Discontinued Operations (Note 4)	27,667	23,839	80,196	70,404
	<u>\$ 290,327</u>	<u>\$ 255,791</u>	<u>\$ 837,860</u>	<u>\$ 743,352</u>
Operating income:				
Card Services	\$ 36,684	\$ 34,893	\$ 100,668	\$ 84,237
Check Services	15,474	11,852	36,432	26,825
	<u>52,158</u>	<u>46,745</u>	<u>137,100</u>	<u>111,062</u>
General Corporate Expense	(5,105)	(4,959)	(16,308)	(13,399)
	<u>47,053</u>	<u>41,786</u>	<u>120,792</u>	<u>97,663</u>
Discontinued Operations (Note 4)	2,103	1,737	6,560	4,218
	<u>\$ 49,156</u>	<u>\$ 43,523</u>	<u>\$ 127,352</u>	<u>\$ 101,881</u>

The above operating income for the nine months ended September 30, 2003 includes other charges (Note 5) as follows:

	Contract Termination Costs	Brazil Downsizing	Other	Total
Card Services	\$ 8,757	\$ 2,740	\$ —	\$ 11,497
Check Services	865	—	156	1,021
General Corporate Expense	—	—	(315)	(315)
	<u>\$ 9,622</u>	<u>\$ 2,740</u>	<u>\$(159)</u>	<u>\$ 12,203</u>

Total assets by segment at September 30, 2004 and December 31, 2003 are as follows:

	September 30, 2004	December 31, 2003
Card Services	\$ 512,663	\$ 475,292
Check Services	256,223	215,529
Corporate	54,029	58,400
	<u>822,915</u>	<u>749,221</u>
Discontinued Operations (Note 4)	40,705	35,826
	<u>\$ 863,620</u>	<u>\$ 785,047</u>

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17. Balance Sheet Reclassifications

Certain December 31, 2003 balance sheet amounts have been reclassified to conform to the current period presentation as follows:

	As previously reported	Discontinued Operations (Note 4)	Reclassification	Current period presentation
Assets:				
Settlement deposits	\$ 29,638	\$ (3,510)	\$ —	\$ 26,128
Trade accounts receivable, net	\$ 108,158	\$ (4,873)	\$ —	\$ 103,285
Settlement receivables	\$ 65,172	\$ (5,976)	\$ —	\$ 59,196
Other receivables	\$ —	\$ —	\$ 26,907	\$ 26,907
Other current assets:				
Other receivables	\$ 26,907	\$ —	\$ (26,907)	\$ —
Prepaid expenses	11,658	—	—	11,658
Current deferred income taxes	1,933	—	—	1,933
Inventories and supplies	1,889	—	—	1,889
Other	7,515	—	—	7,515
	\$ 49,902	\$ —	\$ (26,907)	\$ 22,995
Assets held for sale	\$ —	\$ 35,826	\$ —	\$ 35,826
Other intangible assets, net	\$ 31,799	\$ (21,467)	\$ —	\$ 10,332
Liabilities:				
Accounts payable and accrued expenses	\$ 22,280	\$ (1,363)	\$ 19,320	\$ 40,237
Settlement payables	\$ 94,810	\$ (9,486)	\$ —	\$ 85,324
Compensation and benefit liabilities	\$ 12,324	\$ —	\$ 8,211	\$ 20,535
Other payables	\$ —	\$ —	\$ 10,855	\$ 10,855
Other current liabilities:				
Accrued employee payroll taxes, withholdings, and benefits	\$ 8,211	\$ —	\$ (8,211)	\$ —
Deferred revenue	8,833	—	—	8,833
Accrued interest	3,179	—	—	3,179
Other accrued expenses	19,320	—	(19,320)	—
Other	27,979	360	(10,855)	17,484
	\$ 67,522	\$ 360	\$ (38,386)	\$ 29,496
Liabilities related to assets held for sale	\$ —	\$ 11,536	\$ —	\$ 11,536
Deferred income taxes	\$ 43,939	\$ (1,047)	\$ —	\$ 42,892

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the consolidated financial statements for the three months and the nine months ended September 30, 2004 and 2003, including the notes to those statements, included elsewhere in this report. We also recommend that this management's discussion and analysis be read in conjunction with the management's discussion and analysis and consolidated financial statements included in our annual report on Form 10-K for the year ended December 31, 2003.

Overview

We provide credit and debit card processing and check risk management services to financial institutions and merchants in the U.S. and internationally through two segments, Card Services and Check Services. Card Services provides card issuing services in the U.S., the U.K., Brazil, Chile, Australia, New Zealand, Ireland, Thailand, and the Caribbean. Additionally, Card Services provides merchant processing and e-banking services in the U.S. and card issuing software, support, and consulting services in numerous countries. Check Services provides check risk management services and related processing services in the U.S., the U.K., Canada, France, Ireland, Australia, and New Zealand.

Card Services. Card Services provides a full range of card issuer services that enable banks, credit unions, retailers, and others to issue VISA and MasterCard credit and debit cards, private label cards, and other electronic payment cards for use by both consumer and business accounts. Additionally, we began processing American Express cards in January 2003. Our debit card services support both off-line debit cards, which are processed similarly to credit cards, and on-line debit cards, through which cardholders obtain immediate access to funds in their bank accounts through ATMs or merchant point-of-sale terminals. In the U.S., our card processing business is concentrated in the independent community bank and credit union segments of the market, while internationally, we service both large and small financial institutions. We provide our card issuer services internationally through our operations in the U.S., Brazil, Chile, the U.K., Australia, and the Caribbean. Our merchant processing services enable retailers and other businesses to accept credit, debit, and other electronic payment cards from purchasers of their goods and services, while our e-banking services enable financial institutions to offer Internet banking and related products to consumers and businesses. Card issuing software, support, and consulting services allow customers to manage their credit card programs.

Card transactions continue to increase as a percentage of total point-of-sale payments, which fuels continuing demand for card-related products. We continue to launch new products aimed at serving this demand. In recent years, we have introduced a variety of stored-value card types, Internet banking, and electronic bill presentment/payment products, as well as a number of card enhancement and loyalty/reward programs. The common theme among these offerings continues to be convenience and security for the consumer coupled with value to the financial institution. Over the past six years, we pursued growth in international markets through acquisitions in Brazil, Chile, and the Caribbean and the start-up of our card processing operations in the U.K. and Australia. In 2000, we entered into a five-year agreement with a multi-national Australian-based financial institution to process cards issued in Australia, New Zealand, the U.K., and Ireland, with operations commencing in the second quarter of 2001. This financial institution is serviced from our card processing operations in Australia, as well as from our card processing operations in the U.K. In 2003, we entered into an eight-year agreement with a Thailand financial institution, whereby it has outsourced the processing of its unsecured personal loans and will be outsourcing the processing of its VISA and MasterCard credit cards. This financial institution is also serviced from our card processing operations in Australia. Card Services plans to pursue further card processing opportunities in the Asia Pacific Region, utilizing our Australian operations as the processing center.

We believe that the increased use of credit, debit, and other electronic payment cards around the globe will continue to present the card processing industry with significant growth opportunities. We intend to continue to expand our card processing business in the independent community bank and credit union segments of the market. Moreover, our future growth and profitability will significantly depend upon our ability to penetrate additional international markets, including emerging markets for electronic transaction processing. Our certification as an American Express processor also provides further growth opportunities for us in the global card market.

Check Services. Check Services provides check risk management and related processing products and services to businesses accepting or cashing checks at the point-of-sale. These services utilize our proprietary check authorization systems and risk assessment decision platforms. A significant portion of our revenues from check risk management services is generated from several large national and regional merchants, including national retail chains. Other customers of our Check Services segment include hotels, automotive

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dealers, telecommunications companies, supermarkets, casinos, mail order houses, and other businesses. Our services allow our clients to run their customers' personal and business checks through an automated decision-making process that assesses the likelihood that a check will clear. We provide our check risk management products and services internationally in Canada, the U.K., Ireland, France, Australia, and New Zealand. Our principal product in all those countries is check guarantee services, although mass retailers are beginning to utilize our check verification, collection services, and deferred debit processing services.

In recent years, we have introduced several new products for existing and new markets, such as third-party check collections; electronic check risk management solutions for point-of-sale, call center, and electronic commerce applications; and PayCheck Accept™, which enables retailers, supermarkets and gaming establishments to reduce the risk of check losses and fraud in connection with their payroll check cashing services. Additionally, the acquisition of Game Financial Corporation ("Game Financial") on March 1, 2004, positions us as a leading provider of comprehensive cash access services in the gaming industry, and broadens our check risk management product line and customer base.

We believe check writing has begun to decline as a total percentage of point-of-sale payments due, in part, to the growing use of debit and credit cards. At the same time, however, demand for our services is high due to factors that include increasing sophistication of check fraud and higher concentration of bad checks written at the point-of-sale due to a trend of higher credit quality consumers paying more with credit and debit cards and writing fewer checks. These factors are contributing to a growing reliance of retailers and other businesses on outside vendors, such as us, to provide check risk management services.

Business Developments

Discontinued Operations. Our merchant processing operations consist of two businesses, merchant acquiring, where we own the merchant contracts and the associated risk for cardholder chargebacks, and institution processing, where we provide authorization, settlement, and customer service to community banks and others that contract directly with merchant customers. We view merchant acquiring as a non-strategic business and over the past few years, have operated this business conservatively to reduce exposure to merchant risk, which in the short-term improved overall profitability but limited growth. In September 2004, the Board of Directors approved a plan to sell our merchant acquiring business, at which time the plan of sale criteria in FASB Statement No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," was met. We expect that the merchant acquiring business will be sold within a year.

Our financial statements reflect the merchant acquiring business as a discontinued operation with the related assets and liabilities classified under the captions "Assets held for sale" and "Liabilities related to assets held for sale" in the consolidated balance sheets. The results of operations are treated as income from discontinued operations, net of tax, and separately stated in the consolidated statements of income, below income from continuing operations. The merchant acquiring operations were historically included in the Card Services segment. Refer to Note 4 in the consolidated financial statements for further information.

We will continue to operate the institution processing business, which remains complementary to our card issuing business.

Acquisitions. On March 1, 2004, we completed the purchases of Game Financial, a provider of debit and credit card cash advances, ATM access and check cashing services in gaming institutions, and Crittson Financial Services LLC ("Crittson"), a full service provider of card and merchant processing services. The acquisition of Crittson further strengthens our U.S. market share as the leading third party credit card processor for community banks and credit unions. The acquisition of Game Financial positions us as a leading provider of comprehensive cash access services in the fast-growing gaming industry, and broadens our check risk management product line and customer base. These acquisitions had an initial cash purchase price of \$39.2 million, net of \$24.6 million of cash acquired (approximately \$5.8 million of the Crittson purchase price was reclassified to cash provided by (used in) discontinued operations for the merchant acquiring portion of the acquisition (Note 4)). The initial purchase price allocation resulted in identifiable intangible assets of \$16.4 million, which are being amortized over five to seven years, and goodwill of \$36.7 million.

During the second and third quarters of 2004, we recorded certain purchase price allocation adjustments. These adjustments resulted in a net increase in goodwill of \$649 thousand to record adjustments to net assets acquired, net cash paid for working capital purchase price adjustments, and adjustments to identifiable intangible assets.

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On August 6, 2004, we completed the acquisition of Caribbean CariCard Services, Inc. (“CariCard”) for \$7.0 million in cash. CariCard provides a wide range of products and services to financial institutions, retailers, and the petroleum industry that service markets in 16 countries throughout the Caribbean. The preliminary purchase price allocation resulted in identifiable intangible assets of \$4.3 million, which are being amortized over seven years, and goodwill of \$2.2 million.

Additional consideration may be payable to us or to the sellers with respect to these acquisitions, which includes base revenue measurements, customer-based adjustments, and working capital adjustments. These vary in timing from ninety days to one year from the acquisition date. When and if paid, these adjustments will result in changes to the purchase price allocation. These acquisitions were accounted for as purchases and their results of operations have been included in the consolidated statements of income from the dates of acquisition.

Adoption of FIN 46. On December 31, 2003, we adopted certain provisions of Financial Accounting Standards Board Interpretation No. 46, “Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin No. 51” (“FIN 46”) as required for the synthetic lease on our St. Petersburg, Florida facility. In conjunction with the adoption of FIN 46, our first nine months and third quarter of 2004 results include additional interest expense on the notes underlying this synthetic lease as compared to the prior year periods.

\$200 Million Note Offering. In September 2003, we completed our offering of \$200 million aggregate principal amount of 4.75 percent senior unsecured notes, which mature in September 2008. The proceeds from this offering were used to pay off the outstanding indebtedness under our \$300 million revolving credit facility and for general corporate purposes. In conjunction with the issuance of these notes, our first nine months and third quarter of 2004 results include additional interest expense on the notes as compared to the prior year periods.

Other Charges in 2003. During the first nine months of 2003, we recorded other charges of \$12.2 million (\$7.7 million after-tax, or \$0.12 per diluted share) within operating expenses. These charges include \$9.6 million of early termination costs associated with a data processing contract, \$2.7 million of charges related to the downsizing of our Brazilian card operations primarily due to the loss of a large customer in March 2003, and \$(0.1) million of other items. These charges were recorded in accordance with Statement of Financial Accounting Standards (“SFAS”) No. 146, “Accounting for Costs Associated with Exit or Disposal Activities,” and SFAS No. 144, “Accounting for the Impairment or Disposal of Long-Lived Assets.”

Components of Income Statement

Card Services generates revenues from charges based on transaction volumes, accounts or cards processed, and fees for various services and products, while Check Services generates revenues from charges based on transaction volumes, face value of checks guaranteed, and fees for various check services and products. Revenues depend upon a number of factors, such as demand for and price of our services, the technological competitiveness of our product line, our reputation for providing timely and reliable service, competition within our industry, and general economic conditions. Costs of services consist primarily of the costs of transaction processing systems; personnel costs to develop and maintain applications, operate computer networks, and provide customer support; losses from check guarantee services; interchange (processing fees paid to credit card associations) and other fees related to merchant processing; depreciation and occupancy costs associated with the facilities where these functions are performed; and reimbursed out-of-pocket expenses. Selling, general, and administrative expenses consist primarily of salaries, wages, and related expenses paid to sales, non-revenue customer support functions, and administrative employees and management.

As part of our card merchant processing business, we contract directly with merchants, as well as with merchants’ financial institutions. When we have a direct relationship with a merchant, revenues collected for our services are based primarily on a discount rate, which considers the cost of interchange fees. When our relationship is with a merchant’s financial institution, we collect the interchange fees in addition to our transaction fees. In both instances, we are responsible for collecting the interchange fees after settling with the credit card associations. Interchange fees are recorded as a component of revenues and costs of services.

Summary of the 2004 Third Quarter Consolidated Financial Results

Highlights of the 2004 third quarter consolidated financial results as compared to the 2003 third quarter, including other charges, are as follows:

- Revenues grew 13.2 percent to \$262.7 million.
- Operating income increased 12.6 percent to \$47.1 million.
- Interest expense of \$3.3 million increased by \$1.2 million.
- Net income increased 10.5 percent to \$29.1 million, comprised of \$27.8 million from continuing operations and \$1.3 million from discontinued operations.
- Diluted earnings per share increased 15.0% to \$0.46 per share, comprised of \$0.44 from continuing operations and \$0.02 from discontinued operations.

In the third quarter of 2004, we repurchased approximately 1.2 million shares of our common stock at a cost of \$47.8 million, while capital expenditures totaled \$11.4 million.

Throughout this management's discussion and analysis, we refer to certain financial amounts both on a before- and after-tax basis. Management believes it is helpful to include the after-tax effect of certain financial charges to allow investors and management to evaluate their impact on net income and diluted earnings per share.

Consolidated Results of Operations

The following table summarizes our consolidated results for the three months and the nine months ended September 30, 2004 and 2003:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003 ⁽¹⁾	2004	2003 ⁽¹⁾
	(In millions, except per share amounts)		(In millions, except per share amounts)	
Revenues	\$ 262.7	\$ 232.0	\$ 757.7	\$ 672.9
Operating expenses	\$ 215.6	\$ 190.2	\$ 636.9	\$ 575.3
Operating income	\$ 47.1	\$ 41.8	\$ 120.8	\$ 97.7
Other income, net	\$ 0.3	\$ 0.5	\$ 0.6	\$ 1.5
Interest expense	\$ (3.3)	\$ (2.0)	\$ (9.4)	\$ (5.4)
Income from continuing operations	\$ 27.8	\$ 25.2	\$ 70.6	\$ 58.8
Income from discontinued operations	\$ 1.3	\$ 1.1	\$ 4.1	\$ 2.6
Net income	\$ 29.1	\$ 26.3	\$ 74.7	\$ 61.5
Diluted earnings per share:				
Continuing operations	\$ 0.44	\$ 0.38	\$ 1.10	\$ 0.89
Discontinued operations	\$ 0.02	\$ 0.02	\$ 0.06	\$ 0.04

⁽¹⁾ The consolidated results for the nine months ended September 30, 2003 include other charges of \$12.2 million (\$7.7 million after-tax, or \$0.12 per diluted share) as previously described.

Consolidated Revenues

Third Quarter 2004 compared with Third Quarter 2003

Consolidated revenue in the third quarter of 2004 of \$262.7 million increased \$30.7 million, or 13.2 percent, over the third quarter of 2003. Card Services revenues grew \$9.3 million, or 6.7 percent, while Check Services experienced revenue growth of \$21.4 million, or 23.3 percent.

Revenue growth of 23.3 percent in global Check Services, 26.0 percent in international card issuing, and 5.2 percent in North America card issuing drove consolidated revenue growth. Global Check Services' growth was driven by increased retail check volumes, new customer signings, and growth from the acquisition of Game Financial in the first quarter of 2004. The increase in

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international card issuing revenue was a result of growth in our U.K. and South American operations, the acquisition of CariCard in August 2004, and positive currency trends. Revenue growth in North America card issuing was driven by higher transaction volume, new sales of e-banking services and card loyalty programs, and revenue from the acquisition of Crittson. The strengthening of certain foreign currencies against the U.S. dollar increased total revenues by \$3.8 million in the third quarter of 2004.

First Nine Months 2004 compared with First Nine Months 2003

Consolidated revenue in the first nine months of 2004 of \$757.7 million increased \$84.7 million, or 12.6 percent, over the first nine months of 2003. Card Services revenues grew \$22.0 million, or 5.3 percent, while Check Services experienced revenue growth of \$62.7 million, or 24.0 percent.

Overall, revenue growth of 8.6 percent in North America card issuing and 24.0 percent growth in global Check Services more than offset the decline in software revenue and the annualization of the loss of a large customer in our Brazilian card operations in March 2003. The strengthening of certain foreign currencies against the U.S. dollar increased total U.S. dollar revenues by \$12.5 million in the first nine months of 2004.

Consolidated Operating Expenses

Third Quarter 2004 compared with Third Quarter 2003

Consolidated operating expenses in the third quarter of 2004 of \$215.6 million increased \$25.4 million, or 13.4 percent, over the third quarter of 2003. Operating expenses for Card Services increased \$7.5 million, or 7.2 percent, while Check Services increased \$17.8 million, or 22.2 percent. Corporate expenses of \$5.1 million increased \$146 thousand above the third quarter of 2003.

Costs of services in the third quarter of 2004 of \$186.1 million increased \$23.9 million, or 14.7 percent, over the third quarter of 2003. Card Services experienced a \$7.7 million, or 8.1 percent, increase in costs of services primarily driven by a \$1.3 million increase in card merchant processing interchange fees (costs of services included \$18.0 million and \$16.7 million of interchange fees in 2004 and 2003, respectively), a \$2.0 million increase in reimbursable expenses, and the Crittson and CariCard acquisitions. Costs of services in Check Services increased \$16.2 million, or 24.1 percent, driven by volume growth in our global core check businesses and the acquisition of Game Financial.

Selling, general, and administrative ("SG&A") expenses in the third quarter of 2004 of \$29.5 million increased \$1.5 million, or 5.5 percent, over the third quarter of 2003. Card Services experienced a \$113 thousand, or 1.1 percent, decrease in SG&A costs as the downsizing of our Brazilian card operations in 2003 more than offset higher costs in our global issuing operations resulting from core revenue growth and the Crittson and CariCard acquisitions. SG&A costs in Check Services increased \$1.5 million, or 12.1 percent, primarily driven by revenue growth and the Game Financial acquisition. Corporate SG&A expense increased \$145 thousand, primarily resulting from slightly higher employee-related expenses.

First Nine Months 2004 compared with First Nine Months 2003

Consolidated operating expenses in the first nine months of 2004 of \$636.9 million increased \$61.6 million, or 10.7 percent, over the first nine months of 2003. Operating expenses for Card Services increased \$5.6 million, or 1.7 percent, while Check Services increased \$53.1 million, or 22.6 percent. Corporate expenses of \$16.3 million increased \$2.9 million above the first nine months of 2003. The 2003 consolidated operating expenses include \$12.2 million of other charges.

Costs of services in the first nine months of 2004 of \$546.9 million increased \$67.2 million, or 14.0 percent, over the first nine months of 2003. Card Services experienced a \$17.5 million, or 6.2 percent, increase in costs of services primarily driven by a \$3.4 million increase in card merchant processing interchange fees (costs of services included \$50.9 million and \$47.6 million of interchange fees in 2004 and 2003, respectively), a \$5.6 million increase in reimbursable expenses, and the Crittson and CariCard acquisitions. Costs of services in Check Services increased \$49.7 million, or 25.3 percent, driven by growth in our check cashing operations, as well as the acquisition of Game Financial.

Selling, general, and administrative expenses in the first nine months of 2004 of \$89.9 million increased \$6.6 million, or 7.9 percent, over the first nine months of 2003. Card Services experienced a \$0.4 million, or 1.3 percent, decrease in SG&A costs driven

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by the downsizing of our Brazilian card operations in March 2003 and lower software support and consulting fees. SG&A costs in Check Services increased \$4.4 million, or 11.9 percent, as a result of revenue growth in our global check operations and the Game Financial acquisition. Corporate SG&A expense increased \$2.6 million, or 18.9 percent, primarily due to higher employee benefit and relocation costs.

During the first nine months of 2003, we recorded other charges of \$12.2 million (\$7.7 million after-tax). These charges include \$9.6 million of early termination costs associated with a U.S. data processing contract, \$2.7 million of charges related to the downsizing of our Brazilian card operations, \$0.2 million of severance charges, and a \$0.3 million market value recovery on our collateral assignment in life insurance policies. Page 26 provides a detail of these charges by segment.

Consolidated Operating Income

Third Quarter 2004 compared with Third Quarter 2003

Consolidated operating income in the third quarter of 2004 increased \$5.3 million, or 12.6 percent, over the third quarter of 2003. Card Services operating income increased \$1.8 million, or 5.1 percent, while Check Services operating income increased \$3.6 million, or 30.6 percent. General corporate expense increased \$146 thousand, or 2.9 percent over the third quarter of 2003. Our consolidated operating margin of 17.9 percent in 2004 approximated the 2003 margin of 18.0 percent.

The operating income growth experienced in the third quarter of 2004 was primarily driven by revenue growth in international card issuing and global Check Services, as well as the acquisitions. The strengthening of certain foreign currencies against the U.S. dollar increased total U.S. dollar operating income by approximately \$0.6 million in the third quarter of 2004.

First Nine Months 2004 compared with First Nine Months 2003

Consolidated operating income in the first nine months of 2004 increased \$23.1 million, or 23.7 percent, over the first nine months of 2003. Card Services operating income increased \$16.4 million, or 19.5 percent, while Check Services operating income increased \$9.6 million, or 35.8 percent. General corporate expense increased \$2.9 million, over the first nine months of 2003. Our consolidated operating margin grew from 14.5 percent in 2003 to 15.9 percent in 2004. The 2003 consolidated operating income includes \$12.2 million of other charges.

The operating income growth experienced in the first nine months of 2004 was primarily driven by core revenue growth in North American card issuing and global Check Services and the acquisitions of Game Financial, Crittson, and CariCard. The strengthening of certain foreign currencies against the U.S. dollar increased total U.S. dollar operating income by approximately \$1.2 million in the first nine months of 2004.

Consolidated Other Income, Net

Consolidated other income, net, which principally consists of interest income and net foreign currency exchange gains, totaled \$294 thousand and \$474 thousand during the third quarter of 2004 and 2003, respectively, and \$599 thousand and \$1.5 million during the first nine months of 2004 and 2003, respectively. The 2003 period is higher due primarily to income earned on temporary cash balances, primarily outside of the U.S.

Consolidated Interest Expense

Interest expense during the third quarter and the first nine months of 2004 totaled \$3.3 million and \$9.4 million, respectively, which represents a \$1.2 million and a \$4.0 million increase over the prior year periods, respectively. The increase in interest expense is primarily driven by the issuance of our \$200 million of five-year notes at 4.75 percent in September 2003, which resulted in a higher rate of interest. During the first nine months of 2004, we also incurred interest expense on our revolving credit facility related to borrowings for our acquisitions and share repurchases. In addition, the new lease accounting (FIN 46) on our St. Petersburg facility resulted in higher interest expense in 2004.

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Effective Tax Rate

Our effective tax rates were 37.0 percent and 37.25 percent in 2004 and 2003, respectively. Our lower effective rate in 2004 was driven by the implementation of certain international and state tax planning strategies, as well as the mix of foreign versus domestic income.

Consolidated Net Income and Earnings per Share

Third Quarter 2004 compared with Third Quarter 2003

Consolidated net income in the third quarter of 2004 of \$29.1 million increased \$2.8 million, or 10.5 percent, compared to the third quarter of 2003, while diluted earnings per share in the third quarter of 2004 of \$0.46 rose \$0.06, or 15 percent. Discontinued operations contributed \$1.3 million of income, net of taxes, and \$0.02 per diluted share in 2004 and \$1.1 million, net of taxes, or \$0.02 per diluted share.

The repurchase of 3.0 million shares of common stock subsequent to the third quarter of 2003 had a favorable impact on earnings per share compared to the prior year by reducing our weighted average shares outstanding for the third quarter of 2004 by approximately 2.3 million shares.

First Nine Months 2004 compared with First Nine Months 2003

Consolidated net income in the first nine months of 2004 of \$74.7 million increased \$13.2 million, or 21.5 percent, compared to the first nine months of 2003, while diluted earnings per share in the first nine months of 2004 of \$1.16 increased \$0.23, or 24.7 percent. The first nine months of 2003 consolidated net income includes \$12.2 million of other charges (\$7.7 million after-tax, or \$0.12 per diluted share). Discontinued operations contributed \$4.1 million of income, net of taxes, and \$0.06 per diluted share in 2004 and \$2.6 million, net of taxes, or \$0.04 per diluted share.

The repurchase of 3.0 million shares of common stock subsequent to the first nine months of 2003 had a favorable impact on earnings per share compared to the prior year by reducing our weighted average shares outstanding for the first nine months of 2004 by approximately 1.6 million shares.

Segment Results

The following table summarizes our segment results for the three months and the nine months ended September 30, 2004 and 2003:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
	(in millions)		(in millions)	
Revenues:				
Card Services	\$149.6	\$140.2	\$433.1	\$411.1
Check Services	113.1	91.8	324.6	261.8
	<u>\$262.7</u>	<u>\$232.0</u>	<u>\$757.7</u>	<u>\$672.9</u>
Operating Income:				
Card Services	\$ 36.7	\$ 34.9	\$100.7	\$ 84.3
Check Services	15.5	11.9	36.4	26.8
	<u>52.2</u>	<u>46.8</u>	<u>137.1</u>	<u>111.1</u>
General corporate expense	(5.1)	(5.0)	(16.3)	(13.4)
	<u>\$ 47.1</u>	<u>\$ 41.8</u>	<u>\$120.8</u>	<u>\$ 97.7</u>

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The operating income results for the three months and the nine months ended September 30, 2003 include other charges, by segment, as follows:

	Nine Months Ended September 30, 2003			
	Card	Check	Corp	Total
	(In millions)			
Contract termination costs	\$ 8.8	\$ 0.8	\$—	\$ 9.6
Brazil downsizing	2.7	—	—	2.7
Other severance charges	—	0.2	—	0.2
Market value recovery of collateral assignment in life insurance policies	—	—	(0.3)	(0.3)
	<u>\$11.5</u>	<u>\$ 1.0</u>	<u>\$ (0.3)</u>	<u>\$12.2</u>

Card Services

Third Quarter 2004 compared with Third Quarter 2003

Card Services revenues of \$149.6 million in the third quarter of 2004 increased \$9.3 million, or 6.7 percent, above the third quarter of 2003, primarily driven by North America and international card issuing. The strengthening of certain foreign currencies against the U.S. dollar increased our U.S. dollar revenues by approximately \$1.7 million in the third quarter of 2004.

North American card issuing revenues of \$100.9 million grew 5.2 percent, or \$5.0 million, compared with revenues of \$95.8 million in the third quarter of 2003. This increase was fueled by growth in debit transactions, enhancement program revenue, and e-banking products and services, as well as the Crittson acquisition. North American card transactions rose 3.1 percent over the prior year quarter, driven by growth in debit card transactions of 5.4 percent. Third quarter transaction growth is below the first and second quarters' growth rates of 9.6% and 5.6%, respectively, reflecting factors that include a slow-down in consumer spending.

International card issuing revenues of \$25.9 million increased \$5.3 million, or 26.0 percent, from the third quarter 2003 revenues of \$20.6 million, driven by growth from existing customers, the acquisition of CariCard in August 2004, and positive currency trends. The strengthening of certain foreign currencies against the U.S. dollar increased our U.S. dollar revenues by approximately \$1.7 million in the third quarter of 2004.

Merchant processing revenues of \$21.2 million in the third quarter of 2004 increased \$0.9 million, or 4.2 percent, above the third quarter of 2003 revenues of \$20.4 million, driven by higher volume and merchant discount rates. Interchange pass-through revenue grew from \$16.7 million in the third quarter of 2003 to \$18.0 million in the third quarter of 2004, an increase of \$1.3 million.

Card issuing software and support revenue of \$1.5 million decreased \$1.9 million compared with \$3.4 million in the third quarter of 2003, which is attributable to a large software implementation and consulting project that was substantially completed in late 2003.

Card Services operating income of \$36.7 million in the third quarter of 2004 increased \$1.8 million, or 5.1 percent, above the third quarter of 2003. Top-line growth in international card issuing drove the growth in operating income. Currency rate fluctuations contributed \$165 thousand to our U.S. dollar operating income in the third quarter of 2004.

First Nine Months 2004 compared with First Nine Months 2003

Card Services revenues of \$433.1 million in the first nine months of 2004 increased \$22.0 million, or 5.3 percent, above the first nine months of 2003, due to growth in North America card issuing and merchant processing. The strengthening of certain foreign currencies against the U.S. dollar increased our U.S. dollar revenues by approximately \$6.4 million in the first nine months of 2004.

North American card issuing revenues of \$297.9 million in the first nine months of 2004 increased \$23.5 million, or 8.6 percent, over the prior year period revenues of \$274.4 million. This increase was fueled by growth in debit transactions, enhancement program revenue, e-banking products and services, and the Crittson acquisition.

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International card issuing revenues of \$70.2 million in the first nine months of 2004 increased \$0.4 million, or 0.5 percent, from the prior year period revenues of \$69.8 million, primarily driven by favorable currency trends and strong revenue growth in the third quarter, which more than offset the comparative impact of the loss of our largest customer in our Brazilian card operations in March 2003. The strengthening of certain foreign currencies against the U.S. dollar increased our U.S. dollar revenues by approximately \$6.4 million in the first nine months of 2004.

Merchant processing revenues of \$60.8 million in the first nine months of 2004 increased \$2.9 million, or 5.0 percent, from \$57.9 million in the first nine months of 2003, primarily driven by higher volumes. Interchange pass-through revenue grew from \$47.6 million in 2003 to \$50.9 million in 2004, an increase of \$3.4 million.

Card issuing software and support revenue of \$4.3 million decreased \$4.7 million compared with the first nine months of 2003 revenue of \$9.1 million, attributable to a large software implementation and consulting project that was substantially completed in late 2003.

Card Services operating income of \$100.7 million in the first nine months of 2004 increased \$16.4 million, or 19.5 percent, compared to operating income of \$84.2 million in the first nine months of 2003, which includes \$11.5 million of other charges. Top-line growth and cost efficiency gains in North America and the U.K. and the acquisitions drove this growth. Currency rate changes had minimal impact on our U.S. dollar operating income in the first nine months of 2004.

Check Services

Third Quarter 2004 compared with Third Quarter 2003

Check Services revenues of \$113.1 million in the third quarter of 2004 increased \$21.4 million, or 23.3 percent, over the third quarter of 2003, driven by increased retail check volumes, new customer signings, and growth from the acquisition of Game Financial in the first quarter of 2004. The strengthening of certain foreign currencies against the U.S. dollar increased our U.S. dollar revenues by approximately \$2.1 million in the third quarter of 2004. The face amount of checks we authorized totaled \$9.6 billion in the third quarter of 2004 as compared to \$8.6 billion in the prior year quarter. Guarantee volumes grew from \$7.0 billion in 2003 to \$7.2 billion in 2004, a 3.5 percent increase over the prior year quarter. This increase is below the first and second quarters' growth rates of 12.7% and 9.7%, respectively, reflecting factors that include a slow-down in consumer spending.

North American check revenues of \$95.2 million increased \$18.7 million, or 24.5 percent, over the third quarter of 2003 revenues of \$76.4 million, driven by higher guarantee volumes, growth in our check cashing operations, and the acquisition of Game Financial. The face amount of checks we authorized in the U.S. totaled \$8.7 billion in the third quarter of 2004 as compared to \$7.8 billion in the prior year quarter.

International check revenues of \$17.9 million increased \$2.6 million, or 17.2 percent, from \$15.3 million in the third quarter of 2003. The face amount of checks we authorized increased to \$0.9 billion in the third quarter of 2004 as compared to \$0.8 billion in the prior year quarter. The strengthening of foreign currencies against the U.S. dollar increased our U.S. dollar revenues by approximately \$2.1 million in the third quarter of 2004.

Check Services operating income of \$15.5 million in the third quarter of 2004 increased \$3.6 million, or 30.6 percent, compared to operating income of \$11.9 million in the third quarter of 2003. The growth in Check Services operating income is attributable to revenue growth, continuing improvements in the accuracy of our risk management models, and the acquisition of Game Financial. The strengthening of certain foreign currencies against the U.S. dollar increased our U.S. dollar operating income by approximately \$0.5 million in the third quarter of 2004.

First Nine Months 2004 compared with First Nine Months 2003

Check Services revenues of \$324.5 million in the first nine months of 2004 increased \$62.7 million, or 24.0 percent, over the first nine months of 2003, driven by increased retail check volumes, new customer signings, growth in our check cashing operations, and the acquisition of Game Financial. In addition, the strengthening of foreign currencies against the U.S. dollar increased our U.S. dollar revenues by approximately \$6.1 million in the first nine months of 2004.

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North American check revenues of \$272.0 million increased \$54.3 million, or 25.0 percent, compared with revenues of \$217.6 million in the first nine months of 2003, driven by a strengthening economy, an improving job market, and new domestic customers. Also, the continued rollout of new check cashing locations and the acquisition of Game Financial contributed to North America revenue growth.

International check revenues of \$52.6 million in the first nine months of 2004 increased \$8.4 million, or 19.0 percent, over the first nine months of 2003 revenues of \$44.2 million due primarily to favorable currency trends and higher volumes. The strengthening of the British pound against the U.S. dollar increased our U.S. dollar revenues by approximately \$6.1 million in the first nine months of 2004.

Check Services operating income of \$36.4 million in the first nine months of 2004 increased \$9.6 million, or 35.8 percent, compared to operating income of \$26.8 million in the first nine months of 2003, which includes \$1.0 million of other charges. The growth in Check Services operating income is attributable to top-line growth, continuing improvements in the accuracy of our risk management models, and the acquisition of Game Financial in March 2004. The strengthening of foreign currencies against the U.S. dollar increased our U.S. dollar operating income by approximately \$1.3 million in the first nine months of 2004.

General Corporate Expense

Third Quarter 2004 compared with Third Quarter 2003

General corporate expense of \$5.1 million in the third quarter of 2004 increased \$146 thousand, compared to \$5.0 million in the third quarter of 2003. The increase in general corporate expense is primarily attributable to an increase in employee benefits costs. The increase in corporate expense has moderated from the first half of 2004 due to level insurance premium rate renewals and the containment of discretionary costs.

First Nine Months 2004 compared with First Nine Months 2003

General corporate expense of \$16.3 million in the first nine months of 2004 increased \$2.9 million, or 21.7 percent, compared to general corporate expense of \$13.4 million in the first nine months of 2003, which includes a \$0.3 million market value recovery on our collateral assignment in life insurance policies. The increase in general corporate expense is due in large part to higher employee-related costs including benefits and relocation.

Liquidity and Capital Resources

We have historically generated and continue to generate significant cash flows from our operating activities that we use to further invest in our business through expenditures for capital and strategic acquisitions. Additionally, since our spin-off from Equifax in 2001, we have engaged in periodic repurchases of our common shares, when it has been deemed appropriate, and began to pay cash dividends to our shareholders in 2003. Proceeds from stock option exercises have varied each year, primarily driven by changes in our stock price.

In conjunction with the spin-off from Equifax, we made a cash payment to Equifax in the amount of \$275 million in July 2001 to reflect Certegy's share of Equifax's pre-distribution debt used to establish our initial capitalization. This payment was funded through \$400 million of unsecured revolving credit facilities. Since that time, we have used available cash flow to reduce our outstanding balance on these facilities and on September 10, 2003, we used the proceeds from our offering of 4.75 percent fixed rate five-year notes with a face value of \$200 million to pay down the remaining revolver balance.

On March 1, 2004, we completed the purchases of Game Financial and Crittson and on August 6, 2004, we completed the purchase of CariCard. These acquisitions had an aggregate cash purchase price of \$41.0 million, net of \$24.6 million of cash acquired (adjusted for purchase price adjustments, which were settled in the second and third quarters of 2004, and discontinued operations). We funded these acquisitions through borrowings on our revolving credit facility and as of September 30, 2004, had \$61.5 million outstanding on this facility. A majority of the cash acquired with these acquisitions relates to Game Financial, which provides check cashing and cash advance services for the gaming industry. In certain casino locations, Game Financial maintains cash access booths, where consumers can cash personal checks, and various "point-of-sale" devices, where cash advance services are facilitated. These

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point-of-sale devices include PC's, kiosks, and ATMs. In other casino locations, these transactions are conducted in the casino's own cage operation by casino employees using Game Financial's system.

Additionally, we repurchased approximately 2.4 million shares of our common stock during the first nine months of 2004 at a total cost of \$87.8 million. In May 2004, our Board of Directors approved a \$100 million share repurchase program. At October 31, 2004, we had \$52.0 million remaining under this program.

We regularly evaluate cash requirements for current operations, development activities, and acquisitions. We may elect to raise additional funds for these purposes, either through further bank financing or the public capital markets, as appropriate. Based on our recent financial results and current financial position, we believe that additional funding will be available if required to meet our capital requirements.

Operating Activities. We continue to generate significant cash flows from our operating activities. Operating cash flows totaled \$117.0 million in the first nine months of 2004, which represents an increase of \$2.0 million compared to the first nine months of 2003. The 2004 cash flow generated from net income was \$74.7 million, adjusted for income from discontinued operations of \$4.1 million, depreciation and amortization of \$34.6 million, deferred taxes of \$0.6 million, and other amortization and non-cash items of \$8.1 million. Cash flow generated from changes in assets and liabilities was \$3.1 million as compared to \$19.6 million in the prior year driven by the timing of collections and the payment of certain liabilities, including the U.S. data processing contract termination accrual in the first nine months of 2003 and income taxes.

We used our cash flow from operating activities primarily to reinvest in our existing businesses through expenditures for equipment and systems development, as well as to repurchase shares, make dividend payments, and partially fund our acquisitions of Game Financial, Crittson, and CariCard.

Investing Activities. Capital expenditures in the first nine months of 2004 totaled \$28.5 million, which represents a decrease of \$5.8 million compared to the prior year, although we expect 2004 capital expenditures to approximate or be slightly lower than the prior year total of \$44.0 million. Capital expenditures in the first nine months of 2004 were primarily for processing equipment and software in our global card issuing operations and systems development for new products and services. The acquisitions of Game Financial, Crittson, and CariCard totaled \$41.0 million, which is net of \$24.6 million of cash acquired and \$0.6 million of net cash paid during the first and second quarters of 2004 for working capital adjustments associated with the Game Financial and Crittson acquisitions.

Financing Activities. Net borrowings on our revolving credit facility in the first nine months of 2004, which were primarily related to the acquisitions and share repurchases, totaled \$61.5 million. We repurchased approximately 2.4 million shares of common stock during the first nine months of 2004 at a total cost of \$87.8 million. Proceeds from the exercise of stock options in the first nine months of 2004 totaled \$8.5 million, compared with \$2.9 million in the prior year. Dividend payments to shareholders, which we began to pay in the fourth quarter of 2003, totaled \$9.6 million in the first nine months of 2004. In the prior year, we used the proceeds from our offering of 4.75 percent fixed rate five-year notes with a face value of \$200 million to pay down the remaining revolver balance.

Seasonality, Inflation, and Economic Downturns

We are subject to certain seasonal fluctuations, such as peak activity during the holiday buying season. We do not believe that inflation has had a material effect on our operating results; however, inflation could adversely affect our financial results were it to result in a substantial weakening in economic conditions that adversely affects the level of consumer spending. Our card and check revenue growth in the third quarter of 2004 as compared to the first half of 2004 has slowed, reflecting factors that include a slow-down in consumer spending.

The Brazilian market is characterized by political and economic uncertainty that causes volatility in currency values, and historically has resulted in severe inflationary pressures. Notwithstanding this uncertainty, we believe that the long-term prospects offered by the Brazilian market are attractive and our continued focus on growing our Brazilian business and attaining cost efficiencies should provide us with a cost structure that can withstand short-term declines in business driven by the uncertain market and the loss of a large customer in March 2003.

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Our Brazilian operations had net assets of approximately \$104.1 million at September 30, 2004, which includes a net equity reduction of \$94.6 million as a result of cumulative foreign currency translation. Pursuant to SFAS 142 and SFAS 144, these assets are subject to regular evaluations to assess their recoverability. In the opinion of management, these assets are appropriately valued at September 30, 2004; however, if we are unable to improve profitability in our Brazilian operations by growing revenue or achieving an appropriate cost structure in the future, this could have an impact on our opinion regarding the valuation of these assets, which could lead to an impairment charge against net income.

Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements that are based on current expectations, assumptions, estimates, and projections about our business and our industry. They are not guarantees of future performance and are subject to risks and uncertainties, many of which are outside of our control, that may cause actual results to differ significantly from what is expressed in those statements. Without limitation, statements in this Form 10-Q regarding the anticipated future benefits of our acquisitions, growth opportunities in the card processing industry, and our strategy for penetrating additional international markets are forward-looking statements. The factors that could, either individually or in the aggregate, affect our performance include the following, some of which are described in greater detail in the section entitled "Certain Factors Affecting Forward-Looking Statements" in our 2003 Annual Report on Form 10-K: our reliance on a small number of financial industries for the majority of our revenues; our reliance on key strategic relationships; the necessity to maintain qualifications set by bank card associations in order to continue to provide transaction processing services; potential liability when merchant customers cannot or do not reimburse us for charge-backs resolved in favor of cardholders, or when checks we guarantee are dishonored by the check writer's bank; potential loss of customers from continued consolidation in the financial services and in retail industries; changes in regulation or industry standards applicable to our businesses or those of our customers; the level of economic growth or other factors affecting demand for our products and services; ability to maintain or improve our competitive positions against current and potential competitors; database security and reliability of our information technology systems; risks associated with investments and operations in foreign countries, including exchange rate fluctuations and local political, social, and economic factors; the need to integrate acquired businesses; and those other risks listed in the above-referenced section of our Form 10-K.

Item 4. Controls and Procedures

An evaluation of the Company's disclosure controls and procedures, as defined in Exchange Act Rules 13a-15(e) and 15d-15(e), was carried out by the Company's management, with the participation of the chief executive and chief financial officers, as of the end of the period covered by this Quarterly Report on Form 10-Q. No system of controls, no matter how well designed and operated, can provide absolute assurance that the objectives of the system of controls are met, and no evaluation of controls can provide absolute assurance that the system of controls has operated effectively in all cases. Our disclosure controls and procedures however are designed to provide reasonable assurance that the objectives of disclosure controls and procedures are met.

Based on the evaluation discussed above, our chief executive and chief financial officers have concluded that our disclosure controls and procedures were effective as of the date of that evaluation to provide reasonable assurance that the objectives of disclosure controls and procedures are met.

There were no changes in the Company's internal control over financial reporting that occurred during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information about purchases by the Company of its common stock during the three months ended September 30, 2004. All such purchases were made pursuant to a repurchase plan publicly announced in May 2004 under which the Board of Directors approved a \$100 million repurchase program.

Issuer Purchases of Equity Securities

<u>Period</u>	<u>Total Number of Shares Purchased</u>	<u>Average Price Paid Per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs</u>
7/1/04-7/31/04	312,600	\$ 38.00	312,600	\$ 87,941,925
8/1/04-8/31/04	102,700	\$ 37.28	102,700	\$ 84,113,517
9/1/04-9/30/04	822,000	\$ 39.03	822,000	\$ 52,030,857

Item 6. Exhibits

Exhibits:

The following is a list of Exhibits included as part of this report, including those incorporated by reference. A list of those documents filed with this report is set forth on the Exhibit Index appearing elsewhere in this report and is incorporated by reference.

<u>Exhibit No</u>	<u>Description</u>
10.3(a)	Omnibus Amendment to Master Lease Agreement, Lease, Loan Agreement and Definitions Appendix A (Florida) dated as of September 17, 2004, entered into among Certegy Inc., Prefco VI Limited Partnership, and SunTrust Bank.
10.06(a)	First Amendment to Credit Agreement dated as of September 17, 2004 by and between Certegy Inc., Wachovia Bank, and National Association f/k/a First Union National Bank.
10.34(a)	First Amendment to Revolving Credit Agreement dated as of August 24, 2004 by and among Certegy Inc., the several banks and other financial institutions from time to time party hereto, Wachovia Bank, National Association, as Syndication Agent, Bank of America, N.A., as Documentation Agent and SunTrust Bank, as Administrative Agent.
12.1	Statements re Computation of Ratios.
31.1	Certification of Lee A. Kennedy, Chief Executive Officer of Certegy Inc., pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Michael T. Vollkommer, Chief Financial Officer of Certegy Inc., pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Lee A. Kennedy, Chief Executive Officer of Certegy Inc., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Michael T. Vollkommer, Chief Financial Officer of Certegy Inc., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(1) Management Contract or Compensatory Plan.

INDEX TO EXHIBITS

The following documents are being filed with this report:

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10.34(a)	First Amendment to Revolving Credit Agreement dated as of August 24, 2004 by and among Certegy Inc., the several banks and other financial institutions from time to time party hereto, Wachovia Bank, National Association, as Syndication Agent, Bank of America, N.A., as Documentation Agent and SunTrust Bank, as Administrative Agent.
12.1	Statements re Computation of Ratios.
31.1	Certification of Lee A. Kennedy, Chief Executive Officer of Certegy Inc., pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Michael T. Vollkommer, Chief Financial Officer of Certegy Inc., pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Lee A. Kennedy, Chief Executive Officer of Certegy Inc., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Michael T. Vollkommer, Chief Financial Officer of Certegy Inc., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
(1)	Management Contract or Compensatory Plan.

**OMNIBUS AMENDMENT
TO
MASTER AGREEMENT,
LEASE, LOAN AGREEMENT AND
DEFINITIONS APPENDIX A
[FLORIDA]**

This Omnibus Amendment to Master Agreement, Lease and Definitions Appendix A (this "Amendment"), dated as of September 17, 2004, is entered into among CERTEGY INC., a Georgia corporation, as Lessee and Guarantor ("Certegy" or the "Lessee"); PREFCO VI LIMITED PARTNERSHIP, a Connecticut limited partnership, as Lessor (the "Lessor"); and SUNTRUST BANK, a Georgia banking corporation, as Agent (the "Agent") and as Lender (the "Lender").

WITNESSETH:

WHEREAS, Equifax Inc. (as predecessor to the Lessee), the Lessor, Atlantic Financial Group, Ltd. ("AFG"), the Agent and the Lender have entered into that certain Master Agreement (Florida Property) dated as of December 30, 1999 (the "Master Agreement") (capitalized terms used herein without definition shall have the meanings ascribed to them in Appendix A to the Master Agreement, as amended hereby); and

WHEREAS, Equifax Inc. (as predecessor to the Lessee) and the Lessor have entered into that certain Lease dated as of December 30, 1999 (the "Lease"); and

WHEREAS, the Lender has provided funding to the Lessor in connection with the Operative Documents pursuant to the Master Agreement and the Loan Agreement dated as of December 30, 1999 (the "Loan Agreement") among the Lessor, the Lender and the Agent; and

WHEREAS, Equifax Inc., Certegy, the Lessor, AFG, the Lender and the Agent have entered into that certain Assignment and Assumption of Lease and other Operative Documents dated as of June 25, 2001 (the "Assignment"); and

WHEREAS, the parties hereto desire to enter into this Amendment in order to amend the Master Agreement, the Lease, the Loan Agreement and Appendix A to Master Agreement (Florida Property), Lease, and Loan Agreement (the "Definitions Appendix A") with respect to the matters provided for in this Amendment.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual terms and conditions herein contained, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Modifications to Master Agreement. The parties hereto hereby amend the Master Agreement as follows:

(a) Section 2.5 of the Master Agreement is hereby amended so that clause (iii) thereof reads as follows:

(iii) [RESERVED];

(b) Section 5 of the Master Agreement is hereby amended to read in its entirety as follows:

SECTION 5 COVENANTS.

SECTION 5.1 Affirmative Covenants of the Lessee. So long as any Funded Amount shall remain outstanding, the Lessee will (unless waived in writing by the Required Funding Parties) perform the following covenants:

SECTION 5.1.1 Financial Statements and Other Information. The Lessee will deliver to the Agent:

(a) as soon as available and in any event within 90 days after the end of each fiscal year of Lessee, a copy of the annual audited report for such fiscal year for the Lessee and its Subsidiaries, containing a consolidated balance sheet of the Lessee and its Subsidiaries as of the end of such fiscal year and the related consolidated statements of income, stockholders' equity and cash flows (together with all footnotes thereto) of the Lessee and its Subsidiaries for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and reported on by Ernst & Young or other independent public accountants of nationally recognized standing (without a "going concern" or like qualification, exception or explanation and without any qualification or exception as to scope of such audit) to the effect that such financial statements present fairly in all material respects the financial condition and the results of operations of the Lessee and its Subsidiaries for such fiscal year on a consolidated basis in accordance with GAAP and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards;

(b) as soon as available and in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Lessee, an unaudited consolidated balance sheet of the Lessee and its Subsidiaries as of the end of such fiscal quarter and the related unaudited consolidated statements of income and cash flows of the Lessee and its Subsidiaries for such fiscal quarter and the then elapsed portion of such fiscal year, setting forth in each case in comparative form the figures for the corresponding quarter and the corresponding portion of Lessee's previous fiscal year, all certified by the chief financial officer or treasurer of the Lessee as presenting fairly in all material respects the financial condition and results of operations of the Lessee and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with the delivery of the financial statements referred to in clauses (a) and (b) above, a certificate of a Responsible Officer, substantially in the form of Schedule 5.1.1 hereto, (i) certifying as to whether there exists a Potential Event of Default or Event of Default on the date of such certificate, and if a Potential Event of Default or an Event of Default then exists, specifying the details thereof and the action which the Lessee has taken or proposes to take with respect thereto, (ii) setting forth in reasonable detail calculations demonstrating compliance with Section 5.2 and (iii) stating whether any change in GAAP or the application thereof has occurred since the date of the Lessee's audited financial statements delivered to the Agent for the 2001 fiscal year and, if any change has occurred, specifying the effect of such change on the financial statements accompanying such certificate;

(d) concurrently with the delivery of the financial statements referred to in clause (a) above, a certificate of the accounting firm that reported on such financial statements stating whether they obtained any knowledge during the course of their examination of such financial statements of any Potential Event of Default or Event of Default (which certificate may be limited to the extent required by accounting rules or guidelines);

(e) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all functions of said Commission, or with any national securities exchange, or distributed by the Lessee to its shareholders generally, as the case may be; and

(f) promptly following any request therefor, such other information regarding the results of operations, business affairs and financial condition of the Lessee or any Subsidiary as the Agent or any Funding Party may reasonably request.

SECTION 5.1.2 Notices of Material Events. The Lessee will furnish to the Agent and each Funding Party prompt written notice of the following:

(a) the occurrence of any Potential Event of Default or Event of Default;

(b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or, to the knowledge of the Lessee, affecting the Lessee or any Subsidiary which, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(c) the occurrence of any event or any other development (which individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect) by which the Lessee or any of its Consolidated Subsidiaries (i) fails to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) becomes subject to any Environmental Liability, (iii) receives notice of any claim with respect to any Environmental Liability, or (iv) becomes aware of any basis for any Environmental Liability;

(d) the occurrence of any ERISA Event that alone, or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of the Lessee and its Consolidated Subsidiaries in an aggregate amount exceeding \$5,000,000;

(e) the occurrence of any Event of Default (as such term is defined in the Indenture) under or pursuant to the Indenture; and

(f) any development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a written statement of a Responsible Officer setting forth the details of the event or development requiring such notice and, if applicable, any action taken or proposed to be taken with respect thereto.

SECTION 5.1.3 Existence; Conduct of Business. The Lessee will, and will cause each of its Consolidated Subsidiaries to, do or cause to be done all things necessary to preserve, renew and maintain in full force and effect its legal existence and its respective rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks and trade names material to the conduct of its business and will continue to engage in the same business as presently conducted or such other businesses that are reasonably related thereto; provided, that nothing in this Section shall prohibit any merger, consolidation, liquidation or dissolution permitted under Section 5.3.3.

SECTION 5.1.4 Compliance with Laws, Etc. The Lessee will, and will cause each of its Consolidated Subsidiaries to, comply with all laws, rules, regulations and requirements of any Governmental Authority applicable to its properties, except where the failure to do so, either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.1.5 Payment of Obligations. The Lessee will, and will cause each of its Consolidated Subsidiaries to, pay and discharge at or before maturity, all of its obligations and liabilities (including without limitation all tax liabilities and claims that could result in a statutory Lien) before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Lessee or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.1.6 Books and Records. The Lessee will, and will cause each of its Consolidated Subsidiaries to, keep proper books of record and account in which full, true and correct entries shall be made of all material dealings and transactions in relation to its business and activities to the extent necessary to prepare the consolidated financial statements of Lessee in conformity with GAAP.

SECTION 5.1.7 Visitation, Inspection, Etc. The Lessee will, and will cause each of its Consolidated Subsidiaries to, permit any representative of the Agent or any Funding Party, to visit and inspect its properties, to examine its books and records and to make copies and take

extracts therefrom, and to discuss its affairs, finances and accounts with any of its officers and with its independent certified public accountants, all at such reasonable times and as often as the Agent or any Funding Party may reasonably request after reasonable prior notice to the Lessee.

SECTION 5.1.8 Maintenance of Properties; Insurance. The Lessee will, and will cause each of its Consolidated Subsidiaries to, (a) keep and maintain all property material to the conduct of its business in good working order and condition, subject to ordinary wear and tear, except where the failure to do so, either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect and (b) maintain with financially sound and reputable insurance companies, insurance with respect to its properties and business, and the properties and business of its Consolidated Subsidiaries, against loss or damage of the kinds customarily insured against by companies in the same or similar businesses operating in the same or similar locations.

SECTION 5.1.9 Use of Proceeds. No part of the proceeds of any Funded Amount will be used, whether directly or indirectly, for any purpose that would violate any rule or regulation of the Board of Governors of the Federal Reserve System, including Regulations T, U or X.

SECTION 5.1.10 Environmental (Florida). Sampling has disclosed the presence of heavy metals and other constituents in the soil, sediment and groundwater at the Leased Property, and the prior owner/operator Honeywell is currently conducting periodic monitoring as required by the Florida Department of Environmental Protection ("FDEP"). Until such time as FDEP issues final closure documentation regarding the groundwater monitoring project, the Lessee covenants and agrees to take reasonable steps to monitor the progress of the investigation, to provide the Agent with reports no less frequently than quarterly of the progress of the investigation and/or any other response action, and to ensure that all investigation and/or other response action required by the Florida Department of Environmental Protection, or by any other environmental agency with jurisdiction, be performed in a timely manner, all at no cost to the Agent, the Lessor or the Lender. These provisions will be in addition to, and not in limitation of, any other rights of the Agent, the Lender or the Lessor.

SECTION 5.2 Financial Covenants of the Lessee. So long as any Funded Amount shall remain outstanding, the Lessee will (unless waived in writing by the Required Funding Parties) perform the following covenants (it being understood and agreed that Sections 5.2.1 and 5.2.2 and any related defined terms used therein shall be deemed to be amended automatically from time to time in a manner corresponding to any amendment effected from time to time to the corresponding provisions and defined terms in the Revolving Credit Agreement, provided that the Lender has, in its capacity as a lender under the Revolving Credit Agreement, consented to such amendment):

SECTION 5.2.1 Leverage Ratio. The Lessee will have, as of the end of each fiscal quarter of the Lessee, commencing with the fiscal quarter ending September 30, 2003, a Leverage Ratio of not greater than 3.00 to 1.00.

SECTION 5.2.2 Fixed Charge Coverage Ratio. The Lessee will have, as of the end of each fiscal quarter of the Lessee, commencing with the fiscal quarter ending September 30, 2003, a Fixed Charge Coverage Ratio of not less than 2.50 to 1.00.

SECTION 5.3 Negative Covenants of the Lessee. So long as any Funded Amount shall remain outstanding, the Lessee will (unless waived in writing by the Required Funding Parties) perform the following covenants:

SECTION 5.3.1 Subsidiary Indebtedness. The Lessee will not permit any of its Consolidated Subsidiaries to create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness existing on the Credit Agreement Funding Date and set forth on Schedule 5.3.1(a) and extensions, renewals and replacements of any such Indebtedness that do not (i) in the case of revolving credit, increase the maximum principal amount thereof and (ii) in the case of term loans, increase the outstanding principal amount thereof (immediately prior to giving effect to such extension, renewal or replacement) or shorten the maturity or the weighted average life thereof;

(b) Indebtedness of any Consolidated Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including Capital Lease Obligations; provided, that such Indebtedness is incurred prior to or within 90 days after such acquisition or the completion of such construction or improvements and extensions, renewals, and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof (immediately prior to giving effect to such extension, renewal or replacement) or shorten the maturity or the weighted average life thereof;

(c) Indebtedness of any Consolidated Subsidiary owing to the Lessee or any other Consolidated Subsidiary; provided, that any such Indebtedness shall be subject to Section 5.3.4;

(d) Indebtedness in respect of obligations under Hedging Agreements permitted by Section 5.3.9;

(e) Guarantees by any Consolidated Subsidiary of Indebtedness of any other Consolidated Subsidiary; provided, that such Guarantees of Indebtedness of any Consolidated Subsidiary shall be subject to Section 5.3.4;

(f) Indebtedness of any Permitted Securitization Subsidiary (to the extent such Permitted Securitization Subsidiary constitutes a Consolidated Subsidiary) incurred in connection with any Permitted Securitization Transaction; and

(g) other unsecured Indebtedness of Consolidated Subsidiaries in an aggregate principal amount not to exceed \$20,000,000 at any time outstanding.

SECTION 5.3.2 Negative Pledge. The Lessee will not, and will not permit any of its Consolidated Subsidiaries to, create, incur, assume or suffer to exist any Lien on any of its assets or property now owned or hereafter acquired or, except:

(a) Permitted Encumbrances;

(b) any Liens on any property or asset of the Lessee or any Consolidated Subsidiary existing on the Credit Agreement Funding Date and forth on Schedule 5.3.2; provided, that such Lien shall not apply to any other property or asset of the Lessee or any Consolidated Subsidiary;

(c) purchase money Liens upon or in any fixed or capital assets to secure the purchase price or the cost of construction or improvement of such fixed or capital assets or to secure Indebtedness incurred solely for the purpose of financing the acquisition, construction or improvement of such fixed or capital assets (including Liens securing any Capital Lease Obligations); provided, that (i) such Lien attaches to such asset concurrently or within 90 days after the acquisition, improvement or completion of the construction thereof; (ii) such Lien does not extend to any other asset; and (iii) the Indebtedness secured thereby does not exceed the cost of acquiring, constructing or improving such fixed or capital assets;

(d) extensions, renewals, or replacements of any Lien referred to in paragraphs (a) through (c) of this Section; provided, that the principal amount of the Indebtedness secured thereby is not increased and that any such extension, renewal or replacement is limited to the assets originally encumbered thereby;

(e) any Lien against the Lessee or any Consolidated Subsidiary evidencing the transfer of any receivables and related property to any Permitted Securitization Subsidiary (to the extent such Permitted Securitization Subsidiary constitutes a Consolidated Subsidiary) pursuant to any Permitted Securitization Transaction;

(f) any Lien against a Permitted Securitization Subsidiary (to the extent such Permitted Securitization Subsidiary constitutes a Consolidated Subsidiary) pursuant to any Permitted Securitization Transaction; and

(g) other Liens securing Indebtedness and other obligations in the aggregate which do not to exceed 5% of Consolidated Total Assets at any time.

SECTION 5.3.3 Fundamental Changes.

(a) The Lessee will not, and will not permit any Consolidated Subsidiary to, merge into or consolidate into any other Person, or permit any other Person to merge into or consolidate with it, or sell, lease, transfer or otherwise dispose of (in a single transaction or a series of transactions) all or substantially all of its assets (in each case, whether now owned or hereafter acquired) or all or substantially all of the stock of any of its Consolidated Subsidiaries (in each case, whether now owned or hereafter acquired) or liquidate or dissolve; provided, that if at the time thereof and immediately after giving effect thereto, no Potential Event of Default or Event of Default shall have occurred and be continuing (i) the Lessee or any Consolidated Subsidiary may merge with a Person if the Lessee (or such Consolidated Subsidiary if the Lessee is not a party to such merger) is the surviving Person, (ii) any Consolidated Subsidiary may merge into another Consolidated Subsidiary, (iii) any Consolidated Subsidiary may sell, transfer, lease or otherwise dispose of all or substantially all of its assets to the Lessee or to a

Consolidated Subsidiary, (iv) any Consolidated Subsidiary may liquidate or dissolve if the Lessee determines in good faith that such liquidation or dissolution is in the best interests of the Lessee and is not materially disadvantageous to the Funding Parties and (v) any Consolidated Subsidiary may be sold so long as such sale is permitted under Section 5.3.6; provided, that any such merger involving a Person that is not a Wholly-Owned Subsidiary immediately prior to such merger shall not be permitted unless also permitted by Section 5.3.4; provided, further, that at any time, (x) any one or more Permitted Securitization Subsidiaries may merge into or consolidate with any one or more Permitted Securitization Subsidiaries and (y) any Permitted Securitization Subsidiary may be liquidated or dissolved.

(b) The Lessee will not, and will not permit any of its Consolidated Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Lessee and its Consolidated Subsidiaries on the date hereof and businesses reasonably related thereto and to consummate a Permitted Securitization Transaction.

SECTION 5.3.4 Investments, Loans, Acquisitions, Etc. The Lessee will not, and will not permit any of its Consolidated Subsidiaries to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a Wholly-Owned Subsidiary prior to such merger), any common stock, evidence of indebtedness or other securities (including any option, warrant, or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, Guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other Person (all of the foregoing being collectively called "Investments"; which term shall include all Restricted Investments but shall exclude all Acquisitions and shall exclude the rendition of services and provision of property or any charge therefor), or consummate any Acquisitions, except:

(a) Permitted Investments;

(b) Guarantees constituting Indebtedness not prohibited by Section 5.3.1; provided, that the aggregate principal amount of Indebtedness of Consolidated Subsidiaries or any other entity that is Guaranteed by the Lessee or any other Consolidated Subsidiary shall be subject to the limitations set forth in clauses (c) and (d) hereof;

(c) Investments by (i) the Lessee in its domestic Consolidated Subsidiaries; (ii) the Lessee and its domestic Consolidated Subsidiaries in all Foreign Subsidiaries and (iii) all Foreign Subsidiaries in all domestic Consolidated Subsidiaries and in the Lessee, all to the extent existing on March 31, 2004 and identified on Schedule 5.3.4 hereof (provided, however, that where offsetting Investments exist between any two Persons, all such Investments between such Persons existing on March 31, 2004 shall be deemed permitted under this Section 5.3.4(c) even though Schedule 5.3.4 gives effect to the netting of such Investments between those Persons by disclosing only a single investment by one Person in the other Person);

(d) (i) Investments (other than Investments in Consolidated Subsidiaries in the form of loans and Investments resulting from the Capital Management Subsidiary Transfer) made after March 31, 2004 by the Lessee and its

Consolidated Subsidiaries in all Consolidated Subsidiaries (domestic or foreign) and all Restricted Investments (whether in the form of loans or equity) made at any time; provided, however, that the Aggregate Net Amount (defined below) of such Investments and Restricted Investments, without duplication, shall not exceed \$200,000,000.

(ii) Investments (including, without limitation, those in the form of loans) made after March 31, 2004 by the Lessee and its domestic Consolidated Subsidiaries in all Foreign Subsidiaries; provided, however, that (i) the Aggregate Net Amount of such Investments made after March 31, 2004 (together with, but without duplication, all Guarantees made after March 31, 2004 by the Lessee and its domestic Consolidated Subsidiaries of Indebtedness of all Foreign Subsidiaries) shall not exceed \$100,000,000. To the extent that a particular Investment is of the type contemplated by both clause (d)(i) and clause (d)(ii) of this Section 5.3.4, it must comply with both such clauses.

(iii) Investments made in the form of loans at any time by the Lessee to its domestic Consolidated Subsidiaries or by any domestic Consolidated Subsidiary to the Lessee or its domestic Consolidated Subsidiaries. Any Investments made by the Lessee or any Consolidated Subsidiary in any Consolidated Subsidiary (domestic or foreign) in the form of loans shall be permitted only if otherwise permitted hereunder and evidenced by an Intercompany Note. Any Investments in the form of loans may be forgiven by the payee thereof, in whole or in part, or otherwise converted by the payee, in whole or in part, into equity Investments so long as (y) immediately before and immediately after giving effect to the forgiveness or conversion of such loans, no Event of Default shall have occurred and be continuing and (z) the Lessee and its Consolidated Subsidiaries shall otherwise be in compliance with the limitations on Investments set forth in this Section 5.3.4 after giving effect to such forgiveness or conversion.

(iv) The term "Aggregate Net Amount" shall mean the sum (whether positive or negative) of the following Investments maintained by the relevant Person(s) making such Investments (collectively, the "Investors") in the other relevant Person(s) (collectively, the "Investees"): (a) with respect to equity Investments, if applicable, the amount of the equity Investments made by the subject Investors in the subject Investees after March 31, 2004 (determined at book value as of the dates such Investments are made) less the amount of any cash dividends or other cash distributions distributed by the subject Investees to the subject Investors after March 31, 2004 in respect of the subject Investees' equity interests plus (without duplication) the amount of any loans to the subject Investees which are forgiven or otherwise converted into equity; (b) with respect to Investments in the form of loans, if applicable, the principal amount advanced by the subject Investors to the subject Investees after March 31, 2004 less the amount of all principal payments made by the subject Investees to the subject Investors after March 31, 2004 in respect of loans less (without duplication) the amount of any loans to the subject Investees which are forgiven or otherwise

converted into equity; and (c) with respect to debt Investments in the form of guarantees of Indebtedness of the subject Investees by the subject Investors, the face amount of the guaranties made after March 31, 2004, less the face amount of any guaranties that expire or are cancelled (to the extent not drawn upon) after March 31, 2004 (if any guaranty is drawn upon, then, to the extent of such drawing, it shall be considered a debt Investment). Notwithstanding the foregoing, to the extent that either (i) the amount of cash dividends or other cash distributions exceeds the amount of equity Investments otherwise made by any Investor in any subject Investee or (ii) the principal amount of debt repaid by any Investee exceeds the principal amount advanced to the subject Investee by the subject Investor, then, in either case, such excess shall not be applied to reduce the Aggregate Net Amount of Investment in any other Investee. In calculating the Aggregate Net Amount of Investments in any Investees, there will be excluded from such calculation (i) any amount that is contributed from the proceeds of equity issuances of the Lessee consummated after March 31, 2004 and (ii) the contribution to any Investee of capital stock of the Lessee held in treasury on March 31, 2004 or any contributions to any Investee of the proceeds from any transfer thereof by the Lessee or any other Investee.

(v) The calculation of the Aggregate Net Amount of all Investments made in any Multi-Tier Investment Transaction (defined below) shall not be done in a duplicative manner. "Multi-Tier Investment Transaction" shall mean any series of Investments made involving Lessee and/or any of its Consolidated Subsidiaries over any period of not more than 90 days where Lessee deems the proceeds of the initial Investment (the "Initial Investment") to have been used to make one or more subsequent Investments (each a "Subsequent Investment"); provided, however, that each such Subsequent Investment shall be deemed not to exceed the amount of the Initial Investment or Subsequent Investment, as applicable, that immediately precedes it in such series. The calculation of the Aggregate Net Amount of the Investments made in any Multi-Tier Investment Transaction as it relates to the usage of the equity Investment basket and the foreign Investment basket in the respective subsections (d)(i) and (d)(ii) of this Section 5.3.4 shall be performed so that once any portion of the Initial Investment or any Subsequent Investment is applied in a way that constitutes usage of the applicable basket (such application being defined herein as an "Initial Basket Application"), all subsequent applications of such portion that would otherwise constitute usage of that basket (such application being defined herein as a "Subsequent Basket Exemption") are disregarded in the calculation of the usage of such basket. Furthermore, no return on any Subsequent Investment that constitutes a Subsequent Basket Exemption shall reduce the Aggregate Net Amount of the basket usage of the Investments involved in any Multi-Tier Investment Transaction unless such return is also distributed as a return on the related Initial Investment or Subsequent Investment, as applicable, constituting the Initial Basket Application (and until so distributed, such return shall be available for reinvestment as another Subsequent Basket Exemption).

(e) loans or advances to employees, officers or directors of the Lessee or any Consolidated Subsidiary in the ordinary course of business for travel, relocation and other business related expenses;

(f) Hedging Agreements permitted by Section 5.3.9;

(g) Permitted Acquisitions;

(h) Permitted Securitization Subsidiaries;

(i) Investments by Foreign Subsidiaries in other Foreign Subsidiaries, including transfers of such Investments between Foreign Subsidiaries (without regard to the limitations set forth in subsection (d) of this Section 5.3.4);

(j) Investments transferred to Capital Management Subsidiary as a result of the Capital Management Subsidiary Transfer;

(k) Investments by Lessee or any domestic Consolidated Subsidiary in any other domestic Consolidated Subsidiary to the extent consisting of any contribution of the contributors' holdings of equity interests in any other domestic Consolidated Subsidiary; and

(l) Investments by Lessee or any domestic Consolidated Subsidiary in any other Consolidated Subsidiary (domestic or foreign) to the extent consisting of any contribution of the contributors' holdings of equity interests in any Foreign Subsidiary.

SECTION 5.3.5 Restricted Payments. The Lessee will not, and will not permit its Consolidated Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any dividend on any class of its stock, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, retirement, defeasance or other acquisition of, any shares of common stock or Indebtedness subordinated to the obligations of the Lessee under the Operative Documents or any options, warrants, or other rights to purchase such common stock or such Indebtedness, whether now or hereafter outstanding (each, a "Restricted Payment"), except for (i) dividends payable by the Lessee solely in shares of any class of its common stock, (ii) Restricted Payments made by any Consolidated Subsidiary or any Permitted Securitization Subsidiary to the Lessee or to another Consolidated Subsidiary or, in the case of a Permitted Securitization Subsidiary, any Consolidated Subsidiary, (iii) cash dividends paid on, and cash redemptions of, the common stock of the Lessee and (iv) dividends and distributions made with respect to, and redemptions of, any stock of any Consolidated Subsidiary; provided, that, in each case, no Event of Default has occurred and is continuing at the time such dividend is paid or redemption is made or would be caused thereby.

SECTION 5.3.6 Sale of Assets. The Lessee will not, and will not permit any of its Consolidated Subsidiaries to, convey, sell, lease, assign, transfer or otherwise dispose of, any of its assets, business or property, whether now owned or hereafter acquired, or, in the case of any Consolidated Subsidiary, issue or sell any shares of such Consolidated Subsidiary's common

stock to any Person other than the Lessee or any Wholly-Owned Subsidiary of the Lessee (or to qualify directors if required by applicable law), except:

- (a) the sale or other disposition for fair market value of obsolete or worn out property or other property not necessary for operations disposed of in the ordinary course of business;
- (b) the sale of inventory and Permitted Investments in the ordinary course of business;
- (c) the sale of any receivables and related property to one or more Permitted Securitization Subsidiaries so long as such sale is made in connection with a Permitted Securitization Transaction;
- (d) transfers made as part of Acquisitions and Investments permitted under Section 5.3.4 hereof; and
- (e) the sale or other disposition of such assets (which may include the capital stock of any Subsidiary of the Lessee or all or substantially all of the assets of any Subsidiary of the Lessee) so long as (i) the aggregate Consolidated EBIT attributable to assets which are disposed of in any fiscal year of the Lessee does not exceed 10% of the Consolidated EBIT for the immediately preceding fiscal year and (ii) the aggregate amount of assets (determined at book value in accordance with GAAP) which are disposed of in any fiscal year of the Lessee do not exceed in the aggregate 10% of the Consolidated Total Assets as of the end of the immediately preceding fiscal year.

SECTION 5.3.7 Transactions with Affiliates. The Lessee will not, and will not permit any of its Consolidated Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) in the ordinary course of business at prices and on terms and conditions not less favorable to the Lessee or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) transactions between or among the Lessee and its Consolidated Subsidiaries not involving any other Affiliates (subject to limitations in Section 5.3.4), (c) any Restricted Payment permitted by Section 5.3.5, and (d) in any Permitted Securitization Transaction.

SECTION 5.3.8 Restrictive Agreements. The Lessee will not, and will not permit any Subsidiary to, directly or indirectly, enter into, incur or permit to exist any agreement that prohibits, restricts or imposes any condition upon (a) the ability of the Lessee or any Consolidated Subsidiary to create, incur or permit any Lien upon any of its assets or properties, whether now owned or hereafter acquired, or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to its common stock, to make or repay loans or advances to the Lessee or any other Consolidated Subsidiary, to Guarantee Indebtedness of the Lessee or any other Consolidated Subsidiary or to transfer any of its property or assets to the Lessee or any Consolidated Subsidiary of the Lessee; provided, that (i) the foregoing shall not apply to restrictions or conditions imposed by law or by this Master Agreement or any other Operative Document or by the Revolving Credit Agreement (or the Peaking Facility Loan Documents) and

related documents, (ii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Consolidated Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary that is sold and such sale is permitted hereunder, (iii) clause (a) shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Master Agreement if such restrictions and conditions apply only to the property or assets securing such Indebtedness, (iv) clause (a) shall not apply to customary provisions in (A) Indebtedness not prohibited by Section 5.3.1 under a credit facility used by the Lessee for settlement purposes so long as such lien restriction is limited to the Lessee's or any Consolidated Subsidiaries' settlement receivables, any depository account which is used for the sole purpose of clearing such settlement receivables, any intercompany obligations which arise among the Lessee and a Consolidated Subsidiary in connection with such settlement facility and any documents which relate to the foregoing items in this clause (A), (B) any Synthetic Lease transaction (not prohibited by the Operative Documents), (C) any Capital Lease Obligations or other permitted purchase money Indebtedness so long as such restriction is limited to the asset financed by such Capital Lease Obligations or purchase money Indebtedness and (D) any Permitted Securitization Transaction (not prohibited by the Operative Documents) involving the Lessee, any Consolidated Subsidiary or any of their respective assets so long as such restriction is limited to the asset relating to such Permitted Securitization Transaction, (v) clause (b) shall not apply to any Permitted Securitization Subsidiary, and (vi) clause (a) and clause (b) (solely as such clause (b) relates to the ability of any Consolidated Subsidiary to Guarantee Indebtedness of the Lessee) shall not apply to the provisions contained in the Indenture.

SECTION 5.3.9 Hedging Agreements. The Lessee will not, and will not permit any of the Consolidated Subsidiaries to, enter into any Hedging Agreement, other than non-speculative Hedging Agreements entered into in the ordinary course of business to hedge or mitigate risks to which the Lessee or any Subsidiary is exposed in the conduct of its business or the management of its liabilities.

SECTION 5.3.10 Amendment to Material Documents. The Lessee will not, and will not permit any Consolidated Subsidiary to, (i) amend or modify the Indenture in any manner without the prior written consent of the Lessor and the Agent, or (ii) amend, modify or waive any of its rights in a manner materially adverse to the Funding Parties under its certificate of incorporation, bylaws or other organizational documents.

SECTION 5.3.11 Accounting Changes. The Lessee will not, and will not permit any Subsidiary to, make any significant change in accounting treatment or reporting practices, except as required by GAAP.

SECTION 5.3.12 Capital Management Subsidiary. The Lessee will not permit its Capital Management Subsidiary to engage in any business other than making Investments (including Permitted Investments) and activities incidental thereto. Unless otherwise permitted by the Agent, the Capital Management Subsidiary shall not own any material assets other than Investments (including Permitted Investments) and not incur any Indebtedness other than Indebtedness to the Lessee or any of its Subsidiaries or in connection with the making of Permitted Investments.

(c) The Master Agreement is further amending by attaching thereto as Schedules 5.1.1, 5.1.10, 5.3.1(a), 5.3.2 and 5.3.4 and Exhibit 2-A such Schedules and Exhibit attached hereto.

Section 2. Modifications to Lease. The parties hereto hereby amend the Lease as follows:

(a) Article XII of the Lease is hereby amended so that clause (e) and clauses (h) through (o) read in their entirety as follows:

(e) *the Lessee shall fail to observe or perform any covenant or agreement contained in Sections 5.1.1, 5.1.2 or 5.1.3 (with respect to the Lessee's existence) of the Master Agreement or Sections 5.2 or 5.3 of the Master Agreement; or*

* * *

(h) *the Lessee or any Consolidated Subsidiary (whether as primary obligor or as guarantor or other surety) shall fail to pay any principal of or premium or interest on any Indebtedness which exceeds \$7,500,000 individually or in the aggregate, when and as the same shall become due and payable (whether at scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument evidencing such Indebtedness; or any other event shall occur or condition shall exist under any agreement or instrument relating to such Indebtedness and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or permit the acceleration of, the maturity of such Indebtedness; or any such Indebtedness shall be declared to be due and payable; or required to be prepaid or redeemed (other than by a regularly scheduled required prepayment or redemption), purchased or defeased, or any offer to prepay, redeem, purchase or defease such Indebtedness shall be required to be made, in each case prior to the stated maturity thereof; or*

(i) *the Lessee or any Material Subsidiary shall (i) commence a voluntary case or other proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a custodian, trustee, receiver, liquidator or other similar official of it or any substantial part of its property, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (j) of this Section, (iii) apply for or consent to the appointment of a custodian, trustee, receiver, liquidator or other similar official for the Lessee or any such Material Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take any action for the purpose of effecting any of the foregoing; or*

(j) *an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Lessee or any Material Subsidiary or its debts, or any substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency or other similar law now or hereafter in effect or (ii) the*

appointment of a custodian, trustee, receiver, liquidator or other similar official for the Lessee or any Material Subsidiary or for a substantial part of its assets, and in any such case, such proceeding or petition shall remain undismissed for a period of 60 days or an order or decree approving or ordering any of the foregoing shall be entered; or

(k) the Lessee or any Material Subsidiary shall become unable to pay, shall admit in writing its inability to pay, or shall fail generally to pay, its debts as they become due; or

(l) an ERISA Event shall have occurred that, when taken together with other ERISA Events that have occurred, could reasonably be expected to result in liability to the Lessee or any Consolidated Subsidiary in an aggregate amount exceeding \$5,000,000; or

(m) any judgment or order for the payment of money in excess of \$7,500,000 in the aggregate shall be rendered against the Lessee or any Consolidated Subsidiary, and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be a period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(n) a Change in Control shall occur or exist; or

(o) breach of any covenant by the Lessee or any Consolidated Subsidiary (including any Permitted Securitization Subsidiary to the extent a Permitted Securitization Subsidiary is a Consolidated Subsidiary) contained in any agreement relating to a Permitted Securitization Transaction causing the acceleration of the obligations thereunder or requiring the prepayment of such obligations or termination of such securitization program prior to its stated maturity or term and the Lessee or any Consolidated Subsidiary (other than any Permitted Securitization Subsidiary to the extent such Subsidiary is a Consolidated Subsidiary) has liability in excess of \$7,500,000 under such Permitted Securitization Transaction; or

(b) The Lease is hereby amended so that Article XIV reads in its entirety as follows:

ARTICLE XIV.

SALE, RETURN OR PURCHASE OF LEASED PROPERTY; RENEWAL

Section 14.1 Lessee's Purchase. Subject to the provisions set forth in this Article XIV, on the applicable purchase date or the Lease Termination Date, as the case may be, Lessor shall convey to Lessee, without recourse or warranty (other than as to the absence of Lessor Liens), and Lessee shall purchase from Lessor, Lessor's interest in the Leased Property.

Section 14.2 Lease Termination Date Conveyance to Lessee. Unless previously conveyed pursuant to Section 14.3, Lessee shall purchase from Lessor, and Lessor shall convey to Lessee, on the Lease Termination Date all of Lessor's interest in the Leased Property pursuant to the terms of this Article XIV. Lessee may designate, in a notice given to Lessor not less than ten (10) Business Days prior to the closing of such purchase (time being of the essence), the transferee to whom the conveyance shall be made (if other than to Lessee), in which case such conveyance shall (subject to the terms and conditions set forth herein) be made to such designee; provided, however, that such designation of a transferee shall not cause Lessee to be released, fully or partially, from any of its obligations under this Lease.

Section 14.3 Acceleration of Purchase Obligation. Notwithstanding any termination of this Lease upon an Event of Default, Lessee shall be obligated to purchase and Lessor shall be obligated to sell to Lessee Lessor's interest in the Leased Property immediately, automatically and without notice upon the occurrence of any Event of Default specified in clause (i) or (j) of Article XII, for the purchase price set forth in Section 14.4. Upon the occurrence and during the continuance of any other Event of Default, Lessee shall be obligated to purchase and Lessor shall be obligated to sell to Lessee Lessor's interest in the Leased Property for the purchase price set forth in Section 14.4 upon notice of such obligation from Lessor.

Section 14.4 Determination of Purchase Price. Upon the purchase by Lessee of Lessor's interest in the Leased Property pursuant to Section 14.2 or 14.3, the aggregate purchase price for all of the Leased Property shall be an amount equal to the Lease Balance as of the closing date for such purchase, plus any amount due pursuant to Section 7.9 of the Master Agreement as a result of such purchase.

Section 14.5 Purchase Procedure. (a) If Lessee shall purchase Lessor's interest in the Leased Property pursuant to any provision of this Lease, (i) Lessee shall accept from Lessor and Lessor shall convey the Leased Property by a duly executed and acknowledged limited warranty deed and quit claim bill of sale of the Leased Property in recordable form, (ii) upon the date fixed for any purchase of Lessor's interest in the Leased Property hereunder, Lessee shall pay to the order of the Agent (or Lessor if the Loans have been paid in full) the Lease Balance plus any amount due pursuant to Section 7.9 of the Master Agreement as a result of such purchase by wire transfer of immediately available funds, and (iii) Lessor will execute and deliver, or will cause the Agent to execute and deliver, to Lessee such transfer tax declarations, FIRPTA affidavits and other documents, including releases, termination agreements and termination statements, as may be legally required or as may be reasonably requested by Lessee in order to effect such conveyance, free and clear of Lessor Liens and the Liens of the Operative Documents.

(b) Lessee shall, at Lessee's sole cost and expense, obtain all required governmental and regulatory and other third party approval and consents and shall make such filings as required by Applicable Law and Lessor shall cooperate in any such process to the extent reasonably required to obtain such approval and consents or make such filings; in the event that Lessor is required by Applicable Law to take any action in connection with such purchase and sale, Lessee shall pay all costs incurred by Lessor in connection therewith. In addition, all charges incident to such conveyance, including, without limitation, Lessee's attorneys' fees, Lessor's attorneys' fees, commissions, Lessee's and Lessor's escrow fees, recording fees, title insurance premiums

and all applicable documentary transfer or other transfer taxes and other taxes required to be paid in order to record the transfer documents that might be imposed by reason of such conveyance and the delivery of such deed shall be borne entirely and paid by Lessee.

(c) Upon expiration or termination of this Lease resulting in conveyance of Lessor's interest in the title to the Leased Property to Lessee, there shall be no apportionment of rents (including, without limitation, water rents and sewer rents), taxes, insurance, utility charges or other charges payable with respect to the Leased Property, all of such rents, taxes, insurance, utility or other charges due and payable with respect to the Leased Property prior to termination being payable by Lessee hereunder and all due after such time being payable by Lessee as the then owner of the Leased Property.

(d) As required by Florida law, Lessor hereby makes the following disclosure to Lessee in connection with the purchase by Lessee under this Article XIV: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed Federal and State guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. Seller does not make any representation, express or implied, as to the presence or absence of Radon Gas at the Property.

(e) Lessee hereby acknowledges that it has received the disclosures required under the Florida Building Energy-Efficiency Rating Act (Florida Chapter 553) and Lessee waives its right to have the buildings energy-efficiency ratings determined.

Section 14.6 [RESERVED]

Section 14.7 [RESERVED]

Section 14.8 Return of Leased Property. If Lessor hereafter expressly waives Lessee's purchase obligations hereunder and retains title to the Leased Property, then Lessee shall, on the Lease Termination Date, and at its own expense, return possession of the Leased Property to Lessor for retention by Lessor or, by surrendering the same into the possession of Lessor, free and clear of all Liens other than Lessor Liens, in as good condition as it was on the Closing Date (as modified by Alterations permitted by this Lease), ordinary wear and tear excepted, and in compliance in all material respects with Applicable Law. Lessee shall, on and within a reasonable time before and after the Lease Termination Date, cooperate with Lessor in order to facilitate the ownership and operation by such purchaser of the Leased Property after the Lease Termination Date, which cooperation shall include the following, all of which Lessee shall do on or before the Lease Termination Date or as soon thereafter as is reasonably practicable to the extent the same are in the Lessor's possession: providing all books and records regarding the maintenance and ownership of the Leased Property and all know-how, data and technical information relating thereto, granting or assigning all licenses (to the extent assignable) necessary for the operation and maintenance of the Leased Property, and cooperating in seeking

and obtaining all necessary Governmental Action. Lessee shall have also paid the cost of all Alterations commenced prior to the Lease Termination Date. The obligations of Lessee under this Article XIV shall survive the expiration or termination of this Lease.

Section 14.9 Renewal. Subject to the conditions set forth herein, Lessee may, by written notice to Lessor and the Agent given not later than twelve months (and not earlier than sixteen months) prior to the Lease Termination Date then in effect, request renewal of this Lease, for up to five years commencing on the date following the Lease Termination Date then in effect, provided that Lessee may only exercise such renewal option once. No later than the date that is 45 days after the date the request to renew has been delivered to each of Lessor and the Agent, the Agent will notify Lessee whether or not Lessor and the Lenders consent to such renewal request (which consent, in the case of Lessor and the Lenders, may be granted or denied in their sole discretion, and may be conditioned on such conditions precedent as may be specified by Lessor and the Lenders). If the Agent fails to respond within such time frame, such failure shall be deemed to be a rejection of such request. If the Agent notifies Lessee of Lessor's and the Lenders' consent to such renewal, such renewal shall be effective. Any renewal of this Lease shall be on the same terms and conditions as are set forth herein for the original Lease Term, except that the amount of Basic Rent to be paid by Lessee shall be as mutually agreed upon among Lessee, Lessor and the Lenders prior to such renewal.

Notwithstanding anything to the contrary in any Operative Document, the Lessee shall no longer have any Remarketing Option or return option.

Section 3. Modifications to Loan Agreement.

(a) The Lessor, the Lender and the Agent hereby amend paragraph (a) of Section 2.4 of the Loan Agreement to read in its entirety as follows:

SECTION 2.4 Interest. (a) Each Loan shall bear interest (i) during the initial Rent Period ending January 14, 2000 at a rate per annum equal to the sum of the Adjusted London Interbank Offered Rate for 30-day periods plus 0.475%, (ii) during each subsequent Rent Period ending on or before September 17, 2004 at a rate per annum equal to the sum of the Adjusted London Interbank Offered Rate for such Rent Period plus 0.475% and (iii) during each subsequent Rent Period ending after September 17, 2004 at a rate per annum equal to the sum of the Adjusted London Interbank Offered Rate for such Rent Period plus the Applicable Margin, in each case (of clauses (i), (ii) and (iii)) computed using the actual number of days elapsed and 360-day year.

Section 4. Modifications to Definitions Appendix A.

(a) The parties hereto hereby amend Section B of the Definitions Appendix A to read in its entirety as follows:

B. Accounting Terms and Determination. Unless otherwise defined or specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP as in effect from time

to time, applied on a basis consistent (except for such changes approved by the Lessee's independent public accountants) with the most recent audited consolidated financial statement of the Lessee delivered pursuant to Section 5.1.1(a) of the Master Agreement; provided, that if the Lessee notifies the Agent that the Lessee wishes to amend any covenant in Section 5.2 of the Master Agreement to eliminate the effect of any change in GAAP on the operation of such covenant (or if the Agent notifies the Lessee that the Required Funding Parties wish to amend Section 5.2 of the Master Agreement for such purpose), then the Lessee's compliance with such covenant shall be determined on the basis of GAAP in effect immediately before the relevant change in GAAP became effective, until either such notice is withdrawn or such covenant is amended in a manner satisfactory to the Lessee and the Required Funding Parties.

(b) The parties hereto hereby amend Section E of the Definitions Appendix A so that the following terms read in their entirety as follows:

"Acquisition" means any acquisition, whether by stock purchase, asset purchase, merger, consolidation or otherwise of all or substantially all of the capital stock or assets of a Person or the acquisition of a business line of a Person. For the avoidance of doubt, the purchase price paid, and any debt incurred or obligations assumed, by a Person in connection with an Acquisition (along with the related costs and expenses incurred by such Person) shall not be deemed to be an "Investment" by such Person under the provisions of the Operative Documents.

"Affiliate" means, as to any Person, any other Person that directly, or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person.

"Aggregate Net Amount" has the meaning given such term in Section 5.3.4 of the Master Agreement.

"Applicable Margin" means, as of any date with respect to all Loans outstanding on any date, the percentage designated in the "Pricing Grid" attached to the 2004 Amendment as Schedule I based on the Lessee's Senior Debt Ratings in effect on such date. A change in the Applicable Margin resulting from a change in the Senior Debt Ratings shall be effective on the day on which the Rating Agency which has the highest Senior Debt Rating changes the Senior Debt Ratings and which shall continue until the day prior to the day that further changes become effective.

"Base Term" means (a) the period commencing on the Closing Date and ending on September 17, 2009 or (b) such shorter period as may result from earlier termination of the Lease as provided therein.

"Capital Lease Obligations" of any Person means all obligations of such Person to pay rent or other amounts under any lease (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such

Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Capital Management Subsidiary” means a domestic Wholly-Owned Subsidiary (direct or indirect) of the Lessee whose activities are limited to making and maintaining Investments in Subsidiaries of the Lessee and Permitted Investments and activities incidental thereto.

“Capital Management Subsidiary Transfer” means one or more transfers on or prior to September 30, 2004 of Investments by the Lessee and its Consolidated Subsidiaries to the Capital Management Subsidiary in an aggregate amount not to exceed \$300,000,000.

“Certegy Assumption” means the Assignment and Assumption of Lease and Other Operative Documents dated as of June 25, 2001 among the Lessee, Equifax, AFG, the Lessor and SunTrust Bank relating to the Existing Operative Documents.

“Change in Control” means the occurrence of one or more of the following events: (a) any sale, lease, exchange or other transfer (in a single transaction or a series of related transactions) of all or substantially all of the assets of the Lessee to any Person or “group” (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder in effect on the date hereof), (b) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or “group” (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof) of 30% or more of the outstanding shares of the voting stock of the Lessee; or (c) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Lessee by Persons who were neither (i) nominated by the current board of directors or (ii) appointed by directors so nominated.

“Change in Law” means (i) the adoption of any applicable law, rule or regulation after the Closing Date, (ii) any change in any applicable law, rule or regulation, or any change in the interpretation or application thereof, by any Governmental Authority after the Closing Date, or (iii) compliance by any Funding Party (or its Applicable Lending Office) (or for purposes of Section 7.6 of the Master Agreement, by such Funding Party’s holding company, if applicable) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after June 25, 2001.

“Consolidated EBIT” means, for the Lessee and its Subsidiaries for any period, an amount equal to the sum of (a) Consolidated Net Income for such period plus (b) to the extent deducted in determining Consolidated Net Income for such period, (i) Consolidated Interest Expense, (ii) income tax expense and (iii) all other non-cash charges, determined on a consolidated basis in accordance with GAAP in each case for such period.

“Consolidated EBITDA” means, for the Lessee and its Subsidiaries for any period, an amount equal to the sum of (a) Consolidated Net Income for such period plus (b) to the extent deducted in determining Consolidated Net Income for such period, (i) Consolidated Interest Expense, (ii) income tax expense, (iii) depreciation and amortization and (iv) all other non-cash charges, determined on a consolidated basis in accordance with GAAP in each case for such period.

“Consolidated EBITDAR” means, for the Lessee and its Subsidiaries for any period, an amount equal to the sum of (a) Consolidated EBITDA and (b) Consolidated Lease Expense.

“Consolidated Fixed Charges” means, for the Lessee and its Subsidiaries for any period, the sum (without duplication) of (a) Consolidated Interest Expense for such period and (b) Consolidated Lease Expense for such period.

“Consolidated Interest Expense” means, for the Lessee and its Subsidiaries for any period determined on a consolidated basis in accordance with GAAP, the sum of (i) total interest expense, including without limitation the interest component of any payments in respect of Capital Lease Obligations capitalized or expensed during such period (whether or not actually paid during such period) plus (ii) the net amount payable (or minus the net amount receivable) under Hedging Agreements during such period (whether or not actually paid or received during such period).

“Consolidated Lease Expense” means, for any period, the aggregate amount of fixed and contingent rentals payable by the Lessee and its Subsidiaries with respect to leases of real and personal property (excluding Capital Lease Obligations) determined on a consolidated basis in accordance with GAAP for such period.

“Consolidated Net Income” means, for any period, the net income (or loss) of the Lessee and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP, but excluding therefrom (to the extent otherwise included therein) (i) any extraordinary gains or losses, (ii) any gains attributable to write-ups of assets and (iii) any equity interest of the Lessee or any Subsidiary of the Lessee in the unremitted earnings of any Person that is not a Subsidiary and (iv) any income (or loss) of any Person accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with the Lessee or any Subsidiary on the date that such Person’s assets are acquired by the Lessee or any Subsidiary.

“Consolidated Subsidiary” means, at any date, any Person that, in accordance with GAAP, would be consolidated in the Lessee’s consolidated financial statements on such date.

“Consolidated Total Assets” means, at any time, the total assets of the Lessee and its Consolidated Subsidiaries, determined on a consolidated basis, in accordance with GAAP.

“Consolidated Total Debt” means, at any time, without duplication, the sum of (i) all then currently outstanding obligations, liabilities and indebtedness of the Lessee and

its Subsidiaries on a consolidated basis of the types described in the definition of Indebtedness (other than the type described in clause (xi) of the definition thereof), including, but not limited to, all obligations under the Revolving Credit Agreement plus (ii) all Indebtedness of any Permitted Securitization Subsidiary.

“Control” means the power, directly or indirectly, either to (i) vote 5% or more of securities having ordinary voting power for the election of directors (or persons performing similar functions) of a Person or (ii) direct or cause the direction of the management and policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms “Controlling”, “Controlled by”, and “under common Control with” have meanings correlative thereto.

“Credit Agreement Funding Date” means the “Funding Date” as defined in the Revolving Credit Agreement dated as of September 3, 2003 among Certegy, certain other borrowers, various lenders and SunTrust Bank, as administrative agent.

“Environmental Laws” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, Release or threatened Release of any Hazardous Material or to health and safety matters, including, without limitation, the Resource Conservation and Recovery Act of 1976, (RCRA) 42 U.S.C. §§ 6901-6987, as amended by the Hazardous and Solid Waste Amendments of 1984, the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601-9657, (CERCLA), the Clean Air Act, 42 U.S.C. §§7401 et seq., the Occupational Safety and Health Act, the Toxic Substances Control Act, the Emergency Planning and Community Right to Know Act and any comparable or implementing federal, state or local environmental laws, ordinances, rules, orders, statutes, decrees, judgments, injunctions, codes and regulations, and any other federal, state or local laws, ordinances, rules, codes and regulations, and any other federal, state or local laws, ordinances, rules, codes and regulations relating to the environment, human health or natural resources or the regulation or control of or imposing liability or standards of conduct concerning human health, the environment, Hazardous Materials or the clean-up or other remediation of the Leased Property, or any part thereof, as any of the foregoing may have been from time to time amended, supplemented or supplanted.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental investigation and remediation, costs of administrative oversight, fines, natural resource damages, penalties or indemnities), of the Lessee or any Subsidiary directly or indirectly resulting from or based upon (a) any actual or alleged violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) any actual or alleged exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equifax” means Equifax Inc., a Georgia corporation.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor statute.

“ERISA Affiliate” means any trade or business (whether or not incorporated), which, together with the Lessee, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for the purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the existence with respect to any Plan of an “accumulated funding deficiency” (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Lessee or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Lessee or any ERISA Affiliate from the PBGC or a plan administrator appointed by the PBGC of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Lessee or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Lessee or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Lessee or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

“Fixed Charge Coverage Ratio” means, for any period of four consecutive fiscal quarters of the Lessee, the ratio of (a) Consolidated EBITDAR for such period to (b) Consolidated Fixed Charges for such period.

“Foreign Subsidiary” means any direct or indirect Subsidiary of the Lessee that is organized under the laws of a jurisdiction other than the United States of America or any political subdivision thereof.

“GAAP” means generally accepted accounting principles in the United States applied on a consistent basis and subject to the terms of Section B of this Appendix A.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the “guarantor”) means any legally binding obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other

Person (the “primary obligor”) in any manner, whether directly or indirectly and including any obligation, direct or indirect, of the guarantor (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued in support of such Indebtedness or obligation; provided, that the term “Guarantee” shall not include endorsements for collection or deposits in the ordinary course of business. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which Guarantee is made or, if not so stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith. The term “Guarantee” used as a verb has a corresponding meaning.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law, including, without limitation, any pollutant, contaminant, waste, hazardous or toxic chemical including asbestos containing materials in any form or condition; urea formaldehyde foam insulation; polychlorinated biphenyls (PCBs) in any form or condition; including, without limitation, any solid or hazardous waste, as defined in the Resource Conservation and Recovery Act of 1980, 42 U.S.C. § 6901 et seq. and its implementing regulations and amendments, or in any applicable state or local law or regulation, any “hazardous substance”, “pollutant”, or “contaminant” as defined in CERCLA, or in any applicable state or local law or regulation; gasoline, or any other petroleum product or by-product, including, crude oil or any fraction thereof; toxic substances, as defined in the Toxic Substances Control Act of 1976, or in any applicable state or local law or regulation; or insecticides, fungicides, or rodenticides, as defined in the Federal Insecticide, Fungicide, and Rodenticide Act of 1975, or in any applicable state or local law or regulation, as each such Act, statute or regulation may be amended from time to time.

“Hedging Agreements” means interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity agreements and other similar agreements or arrangements designed to protect against fluctuations in interest rates, currency values, stock values or commodity values.

“Indebtedness” of any Person shall mean, without duplication (i) obligations of such Person for borrowed money, (ii) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) obligations of such Person in respect of the deferred purchase price of property or services (other than trade payables

incurred in the ordinary course of business on terms customary in the trade), (iv) obligations of such Person under any conditional sale or other title retention agreement(s) relating to property acquired by such Person, (v) Capital Lease Obligations of such Person, (vi) obligations, contingent or otherwise, of such Person in respect of letters of credit, acceptances or similar extensions of credit, (vii) guaranties by such Person of the type of indebtedness described in clauses (i) through (v) above, (viii) all indebtedness of a third party secured by any Lien on property owned by such Person, whether or not such indebtedness has been assumed by such Person, (ix) all obligations of such Person, contingent or otherwise, to purchase, redeem, retire or otherwise acquire for value any capital stock of such Person, (x) off-balance sheet liability retained in connection with asset securitization programs, Synthetic Leases, sale and leaseback transactions or other similar obligations arising with respect to any other transaction which is the functional equivalent of or takes the place of borrowing but which does not constitute a liability on the consolidated balance sheet of such Person and its Subsidiaries, and (xi) obligations of such Person under any interest rate Hedging Agreement or foreign exchange Hedging Agreement. For purposes of determining Indebtedness under clause (xi) the obligations of any Person in respect to any Hedging Agreement or foreign exchange Hedging Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that such Person would be required to pay if such Hedging Agreement were terminated at such time.

“Indenture” means the Indenture dated September 10, 2003 made by and between the Lessee and SunTrust Bank, as trustee, relating to the issuance of certain notes due 2008 in an aggregate principal amount not to exceed \$200,000,000.

“Intercompany Note” means one or more intercompany notes executed and delivered by and among the Lessee and/or any of its Subsidiaries in substantially the form attached hereto as Exhibit 2-A or any other form approved by the Administrative Agent under the Revolving Credit Agreement .

“Investment” is defined in Section 5.3.4 of the Master Agreement.

“Leverage Ratio” means, as of any date of determination with respect to the Lessee, the ratio of (i) Consolidated Total Debt as of such date to (ii) Consolidated EBITDA for the four fiscal quarters then ending.

“Lien” means any mortgage, pledge, security interest, lien (statutory or otherwise), charge, encumbrance, hypothecation, assignment, deposit arrangement, or other arrangement having the practical effect of the foregoing or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having the same economic effect as any of the foregoing).

“Material Subsidiary” means at any time any direct or indirect Subsidiary of the Lessee having: (a) assets in an amount equal to at least 5% of the total assets of the Lessee and its Subsidiaries determined on a consolidated basis as of the last day of the most recent fiscal quarter of the Lessee at such time; or (b) revenues or net income in an

amount equal to at least 5% of the total revenues or net income of the Lessee and its Subsidiaries on a consolidated basis for the 12-month period ending on the last day of the most recent fiscal quarter of the Lessee at such time.

“Operative Documents” means the Master Agreement, the Operative Guaranty, the Purchase Agreement, the Assignment Agreement, the Remainderman Conveyance, the Lease, the Notes, the Loan Agreement, the Assignment of Lease and Rents, the Mortgage and the other documents delivered in connection with the transactions contemplated by the Master Agreement.

“Peaking Facility Loan Documents” means those certain loan documents, as the same may exist from time to time, pursuant to which the Lessee or any of its Subsidiaries may obtain up to \$100,000,000 in principal amount of loans outstanding at any time to address the cash flow needs of the Lessee and its Subsidiaries.

“Permitted Acquisitions” means any Acquisition so long as (a) at the time of such Acquisition, no Potential Event of Default or Event of Default is in existence, (b) such Acquisition has been approved or recommended by the board of directors of the Person being acquired and (c) the Total Acquisition Consideration of such Acquisition, when aggregated with the Total Acquisition Consideration of all Acquisitions consummated by the Lessee and its Consolidated Subsidiaries during the preceding 12 month period does not exceed \$100,000,000.

“Permitted Encumbrances” means:

(i) Liens imposed by law for taxes not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP;

(ii) the respective rights and interests of the Lessee, the Lessor, the Agent and any Lender as provided in the Operative Documents;

(iii) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and other Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP;

(iv) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations;

(v) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(vi) judgment and attachment liens not giving rise to an Event of Default or Liens created by or existing from any litigation or legal proceeding

that are currently being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP;

(vii) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Lessee and its Subsidiaries taken as a whole;

(viii) other Liens incidental to the conduct of Lessee's business which were not incurred in connection with the borrowing of money or the obtaining of advances or credit and which do not in the aggregate materially detract from the value of the Leased Property or materially impair the use thereof; and

(ix) assignments, leases and subleases expressly permitted by the Operative Documents;

provided, that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness for borrowed money.

"Permitted Investments" means:

(i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;

(ii) commercial paper having the highest rating, at the time of acquisition thereof, of S&P or Moody's and in either case maturing within six months from the date of acquisition thereof;

(iii) certificates of deposit, bankers' acceptances and time deposits maturing within 180 days of the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(iv) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (i) above and entered into with a financial institution satisfying the criteria described in clause (iii) above;

(v) mutual funds investing solely in any one or more of the Permitted Investments described in clauses (i) through (iv) above; and

(vi) with respect to investments made by Foreign Subsidiaries, Investments (with maturities less than one year) of a non-speculative nature which are made with preservation of principal as the primary objective and in each case in accordance with normal investment practices for cash management of such Foreign Subsidiaries.

“Permitted Securitization Subsidiary.” means any Subsidiary of the Lessee that (i) is directly or indirectly wholly-owned by the Lessee, (ii) is formed and operated solely for purposes of a Permitted Securitization Transaction, (iii) has organizational documents which limit the permitted activities of such Permitted Securitization Subsidiary to the acquisition of accounts receivable and related rights from the Lessee or one or more of its Consolidated Subsidiaries or another Permitted Securitization Subsidiary, the securitization or other financing of such accounts receivable and related rights and activities necessary or incidental to the foregoing and (iv) such Permitted Securitization Subsidiary shall at all times be subject to each of the following: (A) it shall have at least one (1) member, manager, director or other similar person whose affirmative vote is required to permit such person to file a voluntary bankruptcy proceeding or to amend its formation documents, which member, manager, director or other similar person is not affiliated with the Lessee or any of its Consolidated Subsidiaries or a current or prior officer, director or employee of any of them, (B) it shall not be permitted to incur any Indebtedness other than the Indebtedness related to the Permitted Securitization Transaction, unless such Indebtedness is non-recourse to such Permitted Securitization Subsidiary and is subordinated to the Indebtedness incurred in connection with the Permitted Securitization Transaction, (C) it will not be permitted to merge or consolidate with any person other than another Permitted Securitization Subsidiary and (D) its formation documents shall contain and it shall be subject to such restrictive covenants relating to its operations as shall be required by independent counsel in order for such counsel to deliver a reasoned, market-standard “non-consolidation” opinion.

“Permitted Securitization Transaction” means the transfer by Lessee or one or more of its Consolidated Subsidiaries of receivables and rights related thereto to one or more Permitted Securitization Subsidiaries and the related financing of such receivables and rights related thereto; provided that (i) such transaction is non-recourse to Lessee and its Consolidated Subsidiaries (excluding any related Permitted Securitization Subsidiary), except for Standard Securitization Undertakings and (ii) the aggregate total amount of all Indebtedness outstanding to third parties under all Permitted Securitization Transactions shall not exceed \$120,000,000 in the aggregate outstanding at any time.

“Person” means any individual, partnership, firm, corporation, association, joint venture, limited liability company, trust or other entity, or any Governmental Authority.

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Tax Code or Section 302 of ERISA, and in respect of which the Lessee or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Rating Agencies” shall mean Moody’s and S&P.

“Release” means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within any building, structure, facility or fixture, or any release, deposit, disposal or leak of any Hazardous Material into or upon or under any land or water or air, or otherwise into the environment, including, without limitation, by means of burial, disposal, discharge, emission, injection, spillage, leakage, seepage, leaching, dumping, pumping, pouring, escaping, emptying, placement and the like.

“Responsible Officer” means any of the president, the chief executive officer, the chief operating officer, the chief financial officer, the treasurer, controller or a vice president of the Lessee or such other representative of the Lessee as may be designated in writing by any one of the foregoing with the consent of the Agent; and, with respect to the financial covenants only, the chief financial officer or the treasurer of the Lessee.

“Restricted Investment” means Investments by the Lessee or any of its Consolidated Subsidiaries in any Person other than the Lessee and its Consolidated Subsidiaries. In the event that any Investment made by the Lessee or any of its Consolidated Subsidiaries is not otherwise permitted under the provisions of the Master Agreement, such Investment shall be deemed to be a Restricted Investment.

“Restricted Payment” has the meaning set forth in Section 5.3.5 of the Master Agreement.

“Revolving Credit Agreement” means the Revolving Credit Agreement, dated as of September 3, 2003 among the Lessee, certain other borrowers, various lenders and SunTrust Bank, as Administrative Agent, as the same may be amended, restated, extended, refinanced or replaced from time to time; provided that the maximum principal amount of Indebtedness available does not exceed \$300,000,000 in the aggregate.

“S&P” means Standard & Poor’s.

“Senior Debt Rating” means the credit ratings (including indicative ratings if no actual debt has been rated) assigned from time to time by either of the Rating Agencies to the senior, unsecured long-term debt securities of the Lessee without third-party credit enhancement, whether or not any such debt securities are actually outstanding, and any rating assigned to any other debt security of the Lessee shall be disregarded. The rating in effect on any date is that in effect at the close of business on such date. If the Lessee is split-rated and (i) the ratings differential is one category, the higher of the two ratings will apply or (ii) the ratings differential is more than one category, the rate shall be determined by reference to the category next above that of the lower of the two ratings. If the Lessee is rated neither by Moody’s nor S&P, then the Applicable Margin shall be established by reference to Level IV as set forth in the “Pricing Grid” attached to the 2004 Amendment as Schedule I. If the rating system of Moody’s and S&P shall change, or if Moody’s and S&P shall cease to be in the business of rating corporate debt

obligations, the Lessee, the Lessor, the Lender and the Agent shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to any such change or cessation. If after a reasonable time the parties cannot agree to a mutually acceptable amendment, the Applicable Margin shall be determined by reference to Level IV as set forth in the "Pricing Grid" attached to the 2004 Amendment as Schedule I.

"Standard Securitization Undertakings" means any obligations and undertakings of the Lessee and any Consolidated Subsidiary consisting of representations, warranties, covenants, and indemnities standard in securitization transactions and related servicing of receivables.

"Subsidiary" means, with respect to any Person (the "parent"), any corporation, partnership, joint venture, limited liability company, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, partnership, joint venture, limited liability company, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power, or in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, Controlled or held. Unless otherwise indicated, all references to "Subsidiary" hereunder shall mean a Subsidiary of the Lessee.

"Synthetic Lease" means any synthetic lease, tax retention operating lease or similar off-balance sheet financing product where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an operating lease under GAAP. For the purposes of the Operative Documents, the Lease and the Wisconsin real estate lease described on Schedules 5.3.1(a) and 5.3.2 to the Master Agreement shall be deemed to be "Synthetic Leases" whether or not they otherwise comply with the first sentence of this definition.

"Total Acquisition Consideration" means as at the date of any Acquisition, (a) the sum of, without duplication: (i) the amount of any cash and fair market value of other property given as consideration, including at such date the deferred payment of any such amounts, (ii) the amount (determined by using the outstanding amount or the amount payable at maturity, whichever is greater) of any obligations for money borrowed incurred, assumed or acquired by the Lessee or any Subsidiary in connection with such Acquisition, (iii) all amounts paid in respect of covenants not to compete and consulting agreements that should be recorded on the financial statements of the Lessee and its Subsidiaries in accordance with GAAP, and (iv) the aggregate fair market value of all other consideration given by the Lessee or any Subsidiary (including any shares of capital stock of the Lessee or any Subsidiary) in connection with such Acquisition; minus (b) all cash and cash equivalents (as determined in accordance with GAAP) acquired in connection with such Acquisition as reflected on a balance sheet for the acquired

company of acquired assets, as applicable (prepared as of the closing date of the Acquisition).

“2004 Amendment” means the Omnibus Amendment dated as of September 17, 2004 to the Master Agreement, Lease, Loan Agreement and Definitions Appendix A among the Lessee, the Lessor, the Agent and the Lender.

“Wholly-Owned Subsidiary.” means any Subsidiary all of the shares of capital stock or other ownership interests of which (except directors’ qualifying shares, or, in the case of any Subsidiary which is not organized or created under the laws of the United States of America or any political subdivision thereof, such nominal ownership interests which are required to be held by third parties under the laws of the foreign jurisdiction under which such Subsidiary was incorporated or organized) are at the time directly or indirectly owned by the Lessee.

“Withdrawal Liability.” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

Section 5. Effectiveness. The effectiveness of this Amendment (the “Amendment Effective Date”) is subject to receipt by the Agent of each of the following in form and substance satisfactory to the Agent:

(a) counterparts of this Amendment duly executed by the Lessee, the Lessor, the Lender and the Agent;

(b) a certificate of the Secretary or an Assistant Secretary of the Lessee, attaching and certifying as to (i) the Board of Directors’ (or appropriate committee’s) resolution duly authorizing the execution, delivery and performance by it of this Amendment and the Operative Documents amended hereby, (ii) the incumbency and signatures of persons authorized to execute and deliver such documents on its behalf, (iii) its articles or certificate of incorporation, and (iv) its by-laws;

(c) the opinion(s) of counsel to the Lessee; and

(d) such other documents, instruments and agreements as the Agent or its counsel shall reasonably request in the Agent’s sole discretion.

Section 6. Representations and Warranties of the Lessee. The Lessee represents and warrants to the Lessor and the Agent as follows:

(a) The execution, delivery and performance by the Lessee of this Amendment are within the Lessee’s corporate powers and have been duly authorized by all necessary corporate action. This Amendment has been duly executed and delivered by the Lessee and constitutes a legal, valid and binding obligation of the Lessee, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject

to general principles of equity regardless of whether considered in a proceeding in equity or at law.

(b) No Event of Default or event which, with the passage of time or notice or both, will be an Event of Default has occurred and is continuing as of the Amendment Effective Date. The parties agree that the status of environmental matters as currently disclosed in Schedule 5.1.10 to the Master Agreement (attached hereto) does not constitute an Event of Default.

Section 7. Survival. Each of the foregoing representations and warranties by the Lessee shall be made at and as of the Amendment Effective Date. Each of the representations and warranties made by the Lessee in this Amendment shall survive and not be waived by the execution and delivery of this Amendment or any investigation by the Funding Parties.

Section 8. Ratification of Operative Documents. Except as expressly amended herein, all terms, covenants and conditions of the Operative Documents shall remain in full force and effect, and the parties hereto do expressly ratify and confirm the Operative Documents as amended herein.

Section 9. Binding Nature. This Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors, successors-in-titles, and assigns.

Section 10. Costs, Expenses and Taxes; Reaffirmation of Indemnities. (a) The Lessee agrees to pay on demand all reasonable costs and expenses of the Agent and the Lender in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Agent with respect thereto and with respect to advising the Agent and the Lender as to its rights and responsibilities hereunder and thereunder. In addition, the Lessee shall pay any and all stamp and other taxes payable or determined to be payable in connection with the execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder, and agrees to save each Funding Party harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes.

(b) No Florida documentary stamp tax has been paid on recordation of the original Lease or the Assignment. Notwithstanding Section 5.25 of the original Master Lease, Lessee is not required to obtain a Technical Assistance Advisory regarding the applicability of Florida documentary stamp tax to the transactions contemplated hereby. The Lessee hereby confirms and reaffirms all obligations of the Lessee under Section 7.4 of the Master Agreement. Without limiting the foregoing, as between the Lessee and the Tax Indemnitees (but reserving any and all rights the Lessee may have against Equifax Inc. or other Persons), the Lessee agrees that, as between the Lessee and the Tax Indemnitees, the Lessee is responsible to pay any and all documentary stamp and other taxes that may be determined to be payable in connection with the execution, delivery or recording of the original Lease, the Assignment, this Amendment and the other instruments and documents delivered or to be delivered hereunder or thereunder, and agrees to indemnify, hold harmless and defend each Tax Indemnitee from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, suits, settlements, demands,

administrative and judicial proceedings (including informal proceedings) and orders, judgments, remedial action, requirements, enforcement actions of any kind and all costs with respect to or resulting from any delay in paying or failure to pay such taxes.

(c) The Lessee hereby confirms and reaffirms all obligations of the Lessee under Section 7.2 of the Master Agreement. Without limiting the foregoing, the Lessee agrees to indemnify, hold harmless and defend each Indemnitee from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, suits, settlements, demands, administrative and judicial proceedings (including informal proceedings) and orders, judgments, remedial action, requirements, enforcement actions of any kind and all costs arising directly or indirectly, in whole or in part, out of any of the matters described on Schedule 5.1.10 attached hereto.

Section 11. Entire Understanding. This Amendment sets forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations or agreements, whether written or oral, with respect thereto.

Section 12. GOVERNING LAW. THIS AMENDMENT HAS BEEN DELIVERED IN, AND SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF GEORGIA APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.

Section 13. References. All references to the words "Master Agreement", "Lease", "Loan Agreement" and "Appendix A" in the Operative Documents shall hereinafter refer to the Master Agreement, the Lease, the Loan Agreement and the Definitions Appendix A, each as amended by this Amendment.

Section 14. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts and may be delivered by telecopier. Each counterpart so executed and delivered shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Omnibus Amendment to Master Agreement, Lease, Loan Agreement and Definitions Appendix A to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

CERTEGY INC., as the Lessee

By: _____
Name Printed: _____
Title: _____

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**OMNIBUS AMENDMENT
FLORIDA**

PREFCO VI LIMITED PARTNERSHIP, as Lessor

By AFG PREFCO GP, LLC, a Texas limited liability company, as general partner

By: _____
Name Printed: _____
Title: _____

By: _____
Name Printed: _____
Title: _____

PRICING GRID

Pricing Level	Rating Category	Applicable Margin for LIBOR Advances
I	A-or higher/A3 or higher	.650% p.a.
II	BBB+/Baa1	.775% p.a.
III	BBB/Baa2	.900% p.a.
IV	less than BBB/less than Baa2	1.150% p.a.

FORM OF COMPLIANCE CERTIFICATE

[DATE]

SunTrust Bank
303 Peachtree Street, N.E.
Atlanta, Georgia 30308

Ladies and Gentlemen:

The undersigned, CERTEGY INC. ("Lessee"), refers to the Master Agreement dated as of December 30, 1999, as amended (as amended, modified, extended or restated from time to time, the "Master Agreement"), among Lessee, PREFCO VI Limited Partnership ("Lessor"), Atlantic Financial Group, Ltd., and SunTrust Bank, as Agent and Lender. Capitalized terms used herein and not otherwise defined herein shall have the meaning's assigned to such terms in the Master Agreement.

Pursuant to Section 5.1.1(c) of the Master Agreement, the Lessee hereby certifies that the computations set forth in the Attachment to Compliance Certificate attached hereto are true and accurate computations of the ratios and other items required to be so computed pursuant to the Master Agreement.

The Lessee further certifies that (i) the Lessee is in compliance the financial covenants set forth in Sections 5.2.1 and 5.2.2 of the Master Agreement, (ii) that no Potential Event of Default or Event of Default has occurred and is continuing, and (iii) no change in GAAP or the application thereof has occurred since the date of the Lessee's audited financial statements delivered to the Agent for the 2001 fiscal year.

CERTEGY INC.

By: _____
Title: _____

ATTACHMENT TO COMPLIANCE CERTIFICATE

This Attachment to Compliance Certificate is made with respect to the Lessee's quarterly accounting period ended _____.

All capitalized terms used herein and not defined herein have the respective meanings specified in the Master Agreement.

The undersigned, being a Responsible Officer of the Lessee, hereby certifies to the Funding Parties and the Lender that set forth below are the computations necessary to determine that the Lessee is in compliance with Sections 5.2.1 and 5.2.2 of the Master Agreement:

A. Section 5.2.1/Leverage Ratio. The following amounts shall be determined as of the end of the Lessee's fiscal quarter based upon a period consisting of the four preceding fiscal quarters then ended:

(1)	Indebtedness for money or evidenced by bonds, debentures, notes or other similar instruments of Lessee and its Subsidiaries	\$ _____
(2)	Indebtedness for deferred purchase price of property or services of Lessee and its Subsidiaries	\$ _____
(3)	Indebtedness for property under any conditional sale or other title retention agreements of Lessee and its Subsidiaries	\$ _____
(4)	Capital Lease Obligations of Lessee and its Subsidiaries	\$ _____
(5)	Indebtedness for letters of credit of Lessee and its Subsidiaries	\$ _____
(6)	Guarantees of the Indebtedness of others of Lessee and its Subsidiaries	\$ _____
(7)	Indebtedness of third parties secured by a lien on property owned by Lessee and its Subsidiaries	\$ _____
(8)	Obligations to purchase or redeem common stock of Lessee and its Subsidiaries	\$ _____
(9)	Indebtedness for any off-balance sheet liabilities (including Synthetic Leases) of Lessee and its Subsidiaries	\$ _____
(10)	Indebtedness of any Permitted Securitization Subsidiary	\$ _____

(11) Consolidated Total Debt (the sum of items (1) through (10))	\$ _____
(12) Consolidated Net Income (loss)	\$ _____
(13) Consolidated Interest Expense	\$ _____
(14) Income taxes	\$ _____
(15) Depreciation and amortization expense	\$ _____
(16) Other non-cash charges	\$ _____
(17) Consolidated EBITDA (the sum of items (12) through (16))	\$ _____
(18) Leverage Ratio (item (11) divided by item (17))	\$ _____
(19) Maximum Leverage Ratio pursuant to Section 5.2.1	3.00:1.00

B. Section 5.2.2/Fixed Charge Coverage Ratio. The following amounts shall be determined as of the end of the Lessee's fiscal quarter based upon a period consisting of the four preceding fiscal quarters then ended:

(1) Consolidated EBITDA (item A(17) above)	\$ _____
(2) Consolidated Lease Expense	\$ _____
(3) Consolidated EBITDAR (the sum of items (1) and (2))	\$ _____
(4) Consolidated Interest Expense	\$ _____
(5) Consolidated Lease Expense	\$ _____
(6) Consolidated Fixed Charges	\$ _____
(7) Fixed Charge Coverage Ratio	\$ _____
(8) Minimum Fixed Charge Coverage Ratio pursuant to Section 5.2.2	2.50:1.00

C. New Accounting Standards Adoptions & New Auditor Announcement.

D. Other Items of Note.

IN WITNESS WHEREOF, this Attachment to Compliance Certificate is duly executed and delivered this _____ day of _____, __.

Title: _____
Certegey Inc.

ENVIRONMENTAL MATTERS

1. The Florida Department of Environmental Protection (“FDEP”) performed a Site Inspection at the Florida Property pursuant to the authority of the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986 (“CERCLA”). The FDEP Site Inspection involved the collection and analysis of soil, sediment, surface water and ground water samples on and around the Florida Property. The FDEP recommended that no further response action was deemed necessary under CERCLA for environmental matters at the Florida Property. The United States Environmental Protection Agency concurred with the FDEP recommendation and approved a No Further Response Action Planned designation for the CERCLA Site Inspection project. The FDEP has requested additional ground water monitoring be performed at the Florida Property pursuant to the provisions of Chapter 403, Florida Statutes. Honeywell, the prior owner/occupant of the Florida Property, has agreed to assume responsibility for all costs and liabilities associated with the ground water monitoring project. Certegy has asserted and continues to maintain that Honeywell is responsible for any additional site assessment or remediation activities at the Florida Property which may be required in the future by FDEP to address soil or groundwater contamination. Completion of the ground water monitoring project requested by the FDEP will be evidenced by the issuance of a No Further Action Order and/or Site Rehabilitation Completion Order from the FDEP. A detailed project history regarding environmental matters at the Florida Property is set forth in the Site Inspection Report dated January 2003 (as approved by the FDEP on February 28, 2003) prepared by Post, Buckley, Schuh & Jernigan, Inc. on behalf of the FDEP. The aforementioned Site Inspection Report and materials referenced therein are hereby deemed incorporated by reference.

2. In March 2000, several employees at the Florida Property submitted complaints to the United States Occupational Safety and Health Administration (“OSHA”) concerning hair loss symptoms. By correspondence dated March 7, 2000, OSHA issued a Notice of Health Hazard Complaint Letter (#203146295) which requested additional information regarding the employee complaints. OSHA and Certegy performed numerous investigations regarding the potential source of the health complaints, including radiation surveys, indoor air quality studies and soil and groundwater sampling and analysis at the Florida Property. In addition, OSHA consulted the National Institute for Occupational Safety and Health (“NIOSH”) regarding the employee complaints. NIOSH performed a detailed investigation of the facility, including employee interviews, radiation sampling and indoor air quality analysis at the Florida Property. Both OSHA and NIOSH concluded the Florida Property presented a safe work environment for on-site employees and no additional information was requested from these agencies and the matter was concluded without formal enforcement proceedings. The OSHA Complaint Letter was closed, and Certegy considers this matter resolved to the satisfaction of OSHA and NIOSH.

3. OSHA issued correspondence to Certegy dated January 2, 2004, in response to an employee complaint at the Florida Property. Although OSHA has not and will not provide a copy of the employee complaint to Certegy, Certegy understands the nature of the OSHA inquiry regards the condition of the indoor work environment, specifically in connection with indoor air quality. Certegy has retained multiple professional engineers and consultants who have performed multiple facility inspections and testing services to confirm that the indoor work environment at the Florida Property is safe and in compliance with OSHA standards. Certegy provided voluminous information to OSHA regarding these inspections and test results, and Certegy has not received any request from OSHA for additional information regarding this matter. In addition, Certegy requested a formal or informal closure letter from OSHA. On June 24, 2004 OSHA issued correspondence to Certegy indicating that Certegy had provided a satisfactory response and the complaint was closed.

CREDIT AGREEMENT FUNDING DATE INDEBTEDNESS

1. Letters of Credit:
 - (a) \$2,000,000 letter of credit issued by SunTrust Bank on behalf of Total Bank for the benefit of Mastercard International Incorporated.
 - (b) \$31,504.69 letter of credit issued by SunTrust Bank on behalf of Certegy E-Banking Solutions for the benefit of Louis Dreyfus Property Group, Inc.
 - (c) \$390,000.00 letter of credit issued by SunTrust Bank for the benefit of Hartford Fire Insurance Company.
2. \$100,000,000 settlement line of credit with Wachovia Bank (or such other lender(s) as may be selected by Lessee)
3. Interest rate swap contracts:
 - (a) \$10,100,000.00 notional swap with Bank of America, N.A.
 - (b) \$100,000,000.00 notional swap with JPMorgan Chase Bank
4. Synthetic lease with SunTrust Bank and SunTrust Banks, Inc. relating to Lessee's Madison, Wisconsin facility (the "Wisconsin Facility"), with a financed amount not to exceed (when aggregated with the Lease) \$34,000,000.
5. Credit Agreement with SunTrust Bank as Administrative Agent providing a revolving line of credit up to \$300,000,000.
6. Guaranty of Lessee in favor of Honeywell Inc., as sublandlord, of all of the obligations of Certegy Payment Services, Inc. (f/k/a Equifax Payment Services, Inc.), as subtenant, under the Agreement of Sublease, dated November 30, 1995, of the St. Petersburg Facility.
7. \$200,000,000.00 in aggregate principal amount of notes issued pursuant to the Indenture.
8. Various other Indebtedness of the Lessee and its Consolidated Subsidiaries in an aggregate amount up to \$5,000,000.00

Schedule 5.3.1.(a)

EXISTING LIENS

1. Liens on Lessee's Madison, Wisconsin facility securing the synthetic lease transaction.
2. Liens revealed in UCC searches delivered to Agent on or prior to September 3, 2003.

CERTAIN INVESTMENTS IN THE LESSEE AND ITS SUBSIDIARIES
(as of March 31, 2004)

A. Net Investments by the Lessee in its Domestic Subsidiaries

(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Inc.	Certegy Europe LLC		\$ 33,515,259
Certegy Inc.	Certegy Payment Services, Inc.		\$ 104,793,452
Certegy Inc.	Certegy First Bankcard Systems Inc.		\$ 10,738,188
Certegy Inc.	Certegy Asia Pacific Holdings, Inc.		\$ 500
Certegy Inc.	Certegy Asset Management Inc.		\$ 500
Certegy Inc.	Certegy Licensing Services, Inc.		\$ 500
Certegy Inc.	Certegy Capital, Inc.	\$ 178,572	\$ 500
Certegy Inc.	Certegy Transaction Services, Inc.	\$ 61,324,972	
Certegy Inc.	Certegy Payment Recovery Services, Inc.	\$ 24,817,313	
Certegy Inc.	Certegy Card Services, Inc.	\$ 157,301,250	
Certegy Inc.	Certegy E Banking Services, Inc.	\$ 10,153,538	
Certegy Inc.	Financial Insurance Marketing Group Inc.	\$ 82,052	
Certegy Inc.	Crittson Financial Corporation	\$ 102,233	
Certegy Inc.	Certegy Asia Pacific Holdings, Inc.	\$ 9,439,871	
Certegy Inc.	Certegy Global Card Services, Inc.	\$ 15,228,920	
Certegy Inc.	Payment South America Holdings, Inc.	\$ 7,815,103	
Certegy Inc.	Card Brazil Holdings, Inc.,	\$ 574,220	
Total:		\$ 287,018,044	\$ 149,048,899

B. Net Investments by the Lessee and its Domestic Subsidiaries in Foreign Subsidiaries

(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Inc.	Certegy Canada, Inc.	\$ 5,347	\$ 2,462,887
Certegy Check Services, Inc.	Certegy Canada, Inc.	\$ 46,559	
Certegy Europe LLC	Certegy Ltd.		\$ 33,515,259
Certegy Inc.	Certegy Ltd.	\$ 236,036	
Payment South America Holdings Inc.	Payment Chile S.A		\$ 11,386,008
Payment South America Holdings Inc.	Payment Brasil Holdings Ltda.		\$ 140,796,511
Payment South America Holdings Inc.	Payment Brasil Holdings Ltda.		\$ 9,816,495
Card Brazil Holdings, Inc.	AGES Participacoes Ltda.		\$ 58,775,314
Certegy First Bankcard Systems Inc.	Certegy Ltda.	\$ 1,195,917	
Certegy Card Services, Inc.	Certegy Ltda.	\$ 243,377	
Certegy Asia Pacific Holdings Inc.	Certegy Card Services Australia Pty Ltd.		\$ 8,915,599
Certegy First Bankcard Systems Inc.	Certegy Card Services Australia Pty Ltd.	\$ 464,635	
Certegy Card Services, Inc.	Certegy Card Services Australia Pty Ltd.	\$ 233,725	
Certegy Inc.	Certegy Card Services Australia Pty Ltd.	\$ 395,957	
Certegy First Bankcard Systems Inc.	Certegy Card Services Ltd.	\$ 346,066	
Certegy Card Services, Inc.	Certegy Card Services Ltd.	\$ 117,403	
Certegy Global Card Services, Inc.	Certegy Card Services Ltd.	\$ 502,745	
Total:		\$ 3,787,767	\$ 265,668,073

C. Net Investments by Foreign Subsidiaries in the Lessee and its Domestic Subsidiaries

(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Card Services Australia Pty Ltd.	Certegy Global Card Services, Inc.	\$ 116,696	
Certegy Canada, Inc.	Certegy First Bankcard Systems, Inc.	\$ 49,957	
Certegy (Cayman Islands) Ltd.	Certegy First Bankcard Systems, Inc.	\$ 548,382	
Certegy S.A.	Certegy Card Services, Inc.	\$ 88,699	
Total:		\$ 803,734	

D. Net Investments by Domestic Subsidiaries in Domestic Subsidiaries

(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Payment Services, Inc.	Certegy Card Services, Inc.	\$ 86,760	\$ 64,033,027
Certegy Transaction Services, Inc.	Game Financial Corporation	\$ 121,527	\$ 43,078,657
Certegy Transaction Services, Inc.	Certegy Check Services, Inc.	\$ 5,258,412	

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Card Services, Inc.	Certegy First Bankcard Systems, Inc.	\$ 28,231	
Certegy Card Services, Inc.	Certegy Transaction Services, Inc.	\$ 62,384	
Certegy Card Services, Inc.	Certegy Payment Recovery Services, Inc.	\$ 1,136,952	
Certegy Card Services, Inc.	Certegy Check Services, Inc.	\$ 3,153,588	
Certegy Card Services, Inc.	Certegy E-Banking Services, Inc.	\$ 195,065	
Certegy Card Services, Inc.	Certegy Licensing Services, Inc.	\$ 335,385	
Certegy Card Services, Inc.	Certegy Global Card Services, Inc.	\$ 138,887	\$ 500
Financial Insurance Marketing Group, Inc.	Certegy Card Services, Inc.	\$ 573	
Certegy E-Banking Services, Inc.	Certegy Check Services, Inc.	\$ 5,387	
Certegy Licensing Services, Inc.	First Bankcard Systems, Inc.	\$ 137,400	
Certegy Licensing Services, Inc.	Certegy Check Services, Inc.	\$ 6,756	
Certegy First Bankcard Systems, Inc.	Certegy Global Card Services, Inc.	\$ 117,391	
Certegy Payment Recovery Services, Inc.	Certegy Transaction Services, Inc.	\$ 40,671	
Certegy Payment Recovery Services, Inc.	Certegy Check Services, Inc.	\$ 3,583,853	
GameCash, Inc.	Certegy Check Services, Inc.	\$ 143,250	
Certegy Payment Services, Inc.	Certegy Check Services, Inc.		\$ 204,029
Certegy Payment Services, Inc.	Certegy Transaction Services, Inc.		\$ 500
Certegy Payment Services, Inc.	Financial Insurance Marketing Group, Inc.		\$ 1,000

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Payment Services, Inc.	Certegy E-Banking Services, Inc.		\$ 8,600,000
Certegy Check Services, Inc.	Certegy Payment Recovery Services, Inc.		\$ 418,334
Certegy Card Services, Inc.	Payment South America Holdings, Inc.		\$ 207,540,198
Payment South America Holdings, Inc.	Payment South America LLC		\$ 100
Payment South America Holdings, Inc.	Card Brazil Holdings, Inc.		\$ 55,357,679
Card Brazil Holdings, Inc.	Card Brazil LLC		\$ 100
Certegy Card Services, Inc.	Crittson Financial Corporation		\$ 20,750,000
Total:		\$ 14,552,472	\$ 399,984,124

E. Net Investments by Foreign Subsidiaries in Foreign Subsidiaries

(UK£ unless otherwise noted)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Ltd.	Certegy Card Services Ltd.	17,080,544	11,101,763
Certegy Card Services Ltd.	Certegy Card Services Australia Pty Ltd.	5,474	
Certegy Australia plc	Certegy Card Services Australia Pty Ltd.	A\$ 12,639,722	
Certegy Ireland Ltd.	Certegy France SNC	1,692,721	
Transax plc	Certegy Ltd.	3,385,507	
Certegy Ltd.	Certegy France SNC	342,675	
Certegy Ltd.	Certegy Ireland Ltd.	430,809	

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Ltd.	Certegy Australia plc	1,942,063	
Certegy Ltd.	Certegy New Zealand Ltd.	222,575	
VIV plc	Certegy Ltd.	268,083	
Certegy New Zealand Ltd.	Certegy Australia plc	495,647	
Certegy France	Certegy France SNC	344,822	
Payment Brasil Holdings Ltda.	Certegy (Cayman Islands) Ltd.		R\$ 1,629,493
Payment Brasil Holdings Ltda.	Certegy Ltda.		R\$ 167,296,011
AGES Participacoes	Certegy Ltda.		US\$ 58,775,314
Payment Chile S.A.	Certegy S.A.		CHP5,945,695,918
Certegy Ltd.	Transax plc		16,973,572
Transax plc	Certegy France plc		495,319
Certegy France plc	Certegy France SNC		3,008
Transax plc	Certegy Ireland Ltd.		96
Transax plc	Central Credit Services Ltd.		2
Transax plc	VIV plc		500,000
Transax plc	Certegy Australia plc		6,615,431
Transax plc	Retail Credit Management Ltd.		2
Transax plc	Certegy New Zealand Ltd.		1,179,470
Transax plc	Aircrown Ltd.		100
Transax plc	Admast Tax Free Shopping plc		1,000
Retail Credit Management Ltd	Transax plc	62,868	
Total:		XXXXXXXX	XXXXXXXX

EXHIBIT 2-A

MASTER INTERCOMPANY NOTE

August __, 2004

FOR VALUE RECEIVED, each of the parties hereto, in its capacity as a borrower (each, in such capacity, an "Intercompany Borrower"), hereby promises to pay to the order of each of the other parties hereto, in its capacity as a lender (each, in such capacity, an "Intercompany Lender"), as applicable, the unpaid principal amount of advances made by the applicable Intercompany Lender to the applicable Intercompany Borrower from time to time as shown on the general ledger of the applicable Intercompany Lender at such time, unless previously paid in full, **ON DEMAND**, and to pay interest on such unpaid principal amount for each day such amount shall remain outstanding at the interest rate agreed to by the applicable Intercompany Borrower and the applicable Intercompany Lender from time to time with such interest payable at such times as may be required the applicable Intercompany Lender.

It is contemplated that the parties to this Master Intercompany Note shall be Certegy Capital, Inc., a Georgia corporation ("Capital"), Certegy Inc., a Georgia corporation ("Certegy"), and certain of Certegy's direct and indirect subsidiaries, as they may exist from time to time. Additional parties may be added to this Master Intercompany Note by the execution and delivery of a Joinder to Master Intercompany Note substantially in the form attached hereto as Exhibit A (or in such other form as may be approved by Capital, in its sole discretion). Any of the parties to this Master Intercompany Note may be removed as parties hereto at any time by the execution and delivery of a Withdrawal from Master Intercompany Note substantially in the form attached hereto as Exhibit B (or in such other form as may be approved by Capital, in its sole discretion); provided, however, that (i) neither Certegy nor Capital may be removed unless all then remaining parties to this Master Intercompany Note are removed and this Master Intercompany Note is cancelled and (ii) unless this Master Intercompany Note is cancelled, no party hereto may be removed from this Master Intercompany Note at any time when either (a) such party remains indebted to another party hereto for money borrowed or (b) such party is owed money by another party hereto for money borrowed (unless in the case of either clause (a) or (b) above, the remaining indebtedness is then separately documented by a promissory note between the relevant parties).

Presentment, demand, protest and notice of dishonor are hereby waived by the parties hereto.

This Master Intercompany Note is one of the Intercompany Notes referred to in that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement") and is made in accordance with the provisions of Section 7.4 thereof.

This Master Intercompany Note may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to all parties hereto.

THIS MASTER INTERCOMPANY NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, each of the parties hereto has executed this Master Intercompany Note as of the date of issuance first above written.

CERTEGY INC.

CERTEGY CAPITAL, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name:
Title:

By: _____
Name:
Title:

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name:
Title:

By: _____
Name:
Title:

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name:
Title:

By: _____
Name:
Title:

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name:
Title:

By: _____
Name:
Title:

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A
TO
MASTER INTERCOMPANY NOTE

FORM OF JOINDER TO MASTER INTERCOMPANY NOTE

JOINDER TO MASTER INTERCOMPANY NOTE

THIS JOINDER TO MASTER INTERCOMPANY NOTE ("Joinder") is made by the undersigned (collectively, the "Additional Party") as of _____, 20___, and supplements that certain Master Intercompany Note dated as of August __, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, and as subject to this and any other joinder thereto or withdrawal therefrom, the "Master Intercompany Note") by and among Certegy Capital, Inc., Certegy Inc. and the other parties thereto as borrowers and lenders.

Reference is made to that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Intercompany Note, and if not defined therein, shall have the meanings ascribed to such terms in the Credit Agreement.

Pursuant to Section 7.4 of the Credit Agreement, the Additional Party is required to enter into the Master Intercompany Note on or prior to the time that certain investments are made between the Additional Party and one or more other parties to the Master Intercompany Note. The Master Intercompany Note provides that additional parties may become parties under the Master Intercompany Note by execution and delivery of an instrument substantially in the form of this Joinder.

In accordance with the Master Intercompany Note, the Additional Party by its signature below becomes a party to the Master Intercompany Note with the same force and effect as if originally named therein as a party thereto and the Additional Party hereby agrees to all the terms thereof. Each reference to an "Intercompany Borrower" or an "Intercompany Lender" in the Master Intercompany Note shall be deemed to include the Additional Party, as applicable, in its appropriate capacity. The Master Intercompany Note is hereby incorporated by reference.

This Joinder may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to Capital. This Joinder shall become effective as of the date first set forth above upon delivery to Capital of a copy of this Joinder that bears the signature of the Additional Party.

Except as expressly supplemented hereby, the Master Intercompany Note shall remain in full force and effect.

THIS JOINDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, the Additional Party has duly executed this Joinder as of the day and year first above written.

[NAME OF ADDITIONAL PARTY]

By: _____

Name:

Title:

[add any further Additional Party signature blocks here]

EXHIBIT B
TO
MASTER INTERCOMPANY NOTE

FORM OF WITHDRAWAL FROM MASTER INTERCOMPANY NOTE

WITHDRAWAL FROM MASTER INTERCOMPANY NOTE

THIS WITHDRAWAL FROM MASTER INTERCOMPANY NOTE ("Withdrawal") is made by the undersigned (collectively, the "Withdrawing Party") as of _____, 20__, and supplements that certain Master Intercompany Note dated as of August __, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, and as subject to this and any other joinder thereto or withdrawal therefrom, the "Master Intercompany Note") by and among Certegy Capital, Inc., Certegy Inc. and the other parties thereto as borrowers and lenders.

Reference is made to that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Intercompany Note, and if not defined therein, shall have the meanings ascribed to such terms in the Credit Agreement.

Pursuant to Section 7.4 of the Credit Agreement, the Withdrawing Party was required to enter into the Master Intercompany Note on or prior to the time that certain investments were to be made between the Withdrawing Party and one or more other parties to the Master Intercompany Note. The Master Intercompany Note provides that existing parties thereto may withdraw therefrom upon the satisfaction of certain conditions and the execution and delivery of an instrument substantially in the form of this Withdrawal.

In accordance with the Master Intercompany Note, the Withdrawing Party by its signature below hereby withdraws from the Master Intercompany Note, effective as of the date recited in Capital's acceptance hereof below.

This Withdrawal may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to Capital.

Except as against the Withdrawing Party from and after the effectiveness of this Withdrawal, the Master Intercompany Note shall remain in full force and effect.

THIS WITHDRAWAL SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, the Withdrawing Party has duly executed this Withdrawal as of the day and year first above written.

[NAME OF WITHDRAWING PARTY]

By: _____

Name:

Title:

[add any further Withdrawing Party signature blocks here]

Accepted as of the __ day of _____, 20__, by

CERTEGY CAPITAL, INC.

By: _____

Name:

Title:

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT dated as of September 17, 2004 (the "Amendment") by and between CERTEGY INC., a Georgia corporation (the "Borrower"), and Wachovia Bank, National Association f/k/a First Union National Bank, a national banking association ("Wachovia" or "Lender").

WHEREAS, the Borrower, and the Lender are parties to that certain Credit Agreement dated as of June 29, 2001, by and between the Borrower and the Lender (the "Credit Agreement"), pursuant to which the Lender has made available certain financial accommodations to the Borrower;

WHEREAS, through letter agreements between the Lender and the Borrower, the Credit Agreement has been amended to extend the maturity date thereof to June 28, 2005 and decrease the maximum principal amount of the loans available thereunder at any given time from \$130,000,000 to \$100,000,000 (as so amended, as amended hereby and as may hereafter be amended, the "Agreement"; all capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement); and

WHEREAS, the parties wish to amend the Agreement, but only on the terms and conditions contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

Section 1. Amendments.

(a) The Agreement is hereby amended by deleting the definition of "Acquisition" in Section 1.1 and inserting in lieu thereof the following:

"Acquisition" shall mean any acquisition, whether by stock purchase, asset purchase, merger, consolidation or otherwise of all or substantially all of the capital stock or assets of a Person or the acquisition of a business line of a Person. For the avoidance of doubt, the purchase price paid, and any debt incurred or obligations assumed, by a Person in connection with an Acquisition (along with the related costs and expenses incurred by such Person) shall not be deemed to be an "Investment" by such Person under the provisions of this Agreement.

(b) The Agreement is hereby further amended by deleting the definition of “Permitted Investments” in Section 1.1 and inserting in lieu thereof the following:

“Permitted Investments” shall mean:

(i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;

(ii) commercial paper having the highest rating, at the time of acquisition thereof, of S&P or Moody’s and in either case maturing within six months from the date of acquisition thereof;

(iii) certificates of deposit, bankers’ acceptances and time deposits maturing within 180 days of the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(iv) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (i) above and entered into with a financial institution satisfying the criteria described in clause (iii) above;

(v) mutual funds investing solely in any one or more of the Permitted Investments described in clauses (i) through (iv) above; and

(vi) with respect to investments made by Foreign Subsidiaries, Investments (with maturities less than one year) of a non-speculative nature which are made with preservation of principal as the primary objective and in each case in accordance with normal investment practices for cash management of such Foreign Subsidiaries.

(c) The Agreement is hereby further amended by deleting the definition of “Restricted Investments” in Section 1.1 and inserting in lieu thereof the following:

“Restricted Investment” shall mean Investments by the Borrower or any of its Consolidated Subsidiaries in any Person other than the Borrower and its Consolidated Subsidiaries. In the event that any Investment made by the Borrower or any of its Consolidated Subsidiaries is not otherwise permitted under the provisions of this Agreement, such Investment shall be deemed to be a Restricted Investment.

(d) The Agreement is hereby further amended by deleting the definition of “Total Acquisition Consideration” in Section 1.1 and inserting in lieu thereof the following:

“Total Acquisition Consideration” shall mean as at the date of any Acquisition: (a) the sum of, without duplication, (i) the amount of any cash and fair market value of other property given as consideration, including at such date

the deferred payment of any such amounts, (ii) the amount (determined by using the outstanding amount or the amount payable at maturity, whichever is greater) of any obligations for money borrowed incurred, assumed or acquired by the Borrower or any Subsidiary in connection with such Acquisition, (iii) all amounts paid in respect of covenants not to compete and consulting agreements that should be recorded on the financial statements of the Borrower and its Subsidiaries in accordance with GAAP, and (iv) the aggregate fair market value of all other consideration given by the Borrower or any Subsidiary (including any shares of capital stock of the Borrower or any Subsidiary) in connection with such Acquisition; minus (b) all cash and cash equivalents (as determined in accordance with GAAP) acquired in connection with such Acquisition as reflected on a balance sheet for the acquired company or acquired assets, as applicable (prepared as of the closing date of the Acquisition).

(e) The Agreement is hereby further amended by adding the following definition to Section 1.1 of the Agreement:

“Capital Management Subsidiary” shall mean a domestic Wholly-Owned Subsidiary (direct or indirect) of the Borrower whose activities are limited to making and maintaining Investments in Subsidiaries of the Borrower and Permitted Investments and activities incidental thereto.

(f) The Agreement is hereby further amended by adding the following definition to Section 1.1 of the Agreement:

“Capital Management Subsidiary Transfer” shall mean one or more transfers on or prior to September 30, 2004 of Investments by the Borrower and its Consolidated Subsidiaries to the Capital Management Subsidiary in an aggregate amount not to exceed \$300,000,000.

(g) The Agreement is hereby further amended by adding the following definition to Section 1.1 of the Agreement.

“Foreign Subsidiary” shall mean any direct or indirect Subsidiary of the Borrower that is organized under the laws of a jurisdiction other than the United States of America or any political subdivision thereof.

(h) The Agreement is hereby further amended by adding the following definition to Section 1.1 of the Agreement:

“Intercompany Note” shall mean one or more intercompany notes executed and delivered by and among the Borrower and/or any of its Subsidiaries in substantially the form attached hereto as Exhibit F or any other form approved by the Lender.

(i) The Agreement is hereby further amended by deleting Section 5.16 in its entirety and inserting in lieu thereof the following new Section 5.16:

Section 5.16. Investments, Loans, Acquisitions, Etc. The Borrower will not, and will not permit any of its Consolidated Subsidiaries to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a Wholly-Owned Subsidiary prior to such merger), any common stock, evidence of indebtedness or other securities (including any option, warrant, or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, Guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other Person (all of the foregoing being collectively called "*Investments*", which term shall include all Restricted Investments but shall exclude all Acquisitions and shall exclude the rendition of services and provision of property or any charge therefor), or consummate any Acquisitions, except:

(a) Permitted Investments;

(b) Guarantees constituting Indebtedness not prohibited by Section 5.13; provided, that the aggregate principal amount of Indebtedness of Consolidated Subsidiaries or any other entity that is Guaranteed by the Borrower or any other Consolidated Subsidiary shall be subject to the limitations set forth in clauses (c) and (d) hereof;

(c) Investments by (i) the Borrower in its domestic Consolidated Subsidiaries; (ii) the Borrower and its domestic Consolidated Subsidiaries in all Foreign Subsidiaries and (iii) all Foreign Subsidiaries in all domestic Consolidated Subsidiaries and in the Borrower, all to the extent existing on March 31, 2004 and identified on Schedule 5.16 hereof (provided, however, that where offsetting Investments exist between any two Persons, all such Investments between such Persons existing on March 31, 2004 shall be deemed permitted under this Section 5.16(c) even though Schedule 5.16 gives effect to the netting of such Investments between those Persons by disclosing only a single investment by one Person in the other Person);

(d) (i) Investments (other than Investments in Consolidated Subsidiaries in the form of loans and Investments resulting from the Capital Management Subsidiary Transfer) made after March 31, 2004 by the Borrower and its Consolidated Subsidiaries in all Consolidated Subsidiaries (domestic or foreign) and all Restricted Investments (whether in the form of loans or equity) made at any time; provided, however, that the Aggregate Net Amount (defined below) of such Investments and Restricted Investments, without duplication, shall not exceed \$200,000,000.

(ii) Investments (including, without limitation, those in the form of loans) made after March 31, 2004 by the Borrower and its domestic Consolidated Subsidiaries in all Foreign Subsidiaries; provided, however, that (i) the Aggregate Net Amount of such Investments made after March 31, 2004 (together with, but without duplication, all Guarantees made after March 31, 2004 by the Borrower and its domestic Consolidated Subsidiaries of Indebtedness of all Foreign Subsidiaries) shall not exceed \$100,000,000. To the extent that a particular Investment is of the type contemplated by both clause (d)(i) and clause (d)(ii) of this Section 5.16, it must comply with both such clauses.

(iii) Investments made in the form of loans at any time by the Borrower to its domestic Consolidated Subsidiaries or by any domestic Consolidated Subsidiaries to the Borrower or its domestic Consolidated Subsidiaries. Any Investments made by the Borrower or any Consolidated Subsidiary in any Consolidated Subsidiary (domestic or foreign) in the form of loans shall be permitted only if otherwise permitted hereunder and evidenced by an Intercompany Note. Any Investments in the form of loans may be forgiven by the payee thereof, in whole or in part, or otherwise converted by the payee, in whole or in part, into equity Investments so long as (y) immediately before and immediately after giving effect to the forgiveness or conversion of such loans, no Event of Default shall have occurred and be continuing and (z) the Borrower and its Consolidated Subsidiaries shall otherwise be in compliance with the limitations on Investments set forth in this Section 5.16 after giving effect to such forgiveness or conversion.

(iv) The term "Aggregate Net Amount" shall mean the sum (whether positive or negative) of the following Investments maintained by the relevant Person(s) making such Investments (collectively, the "Investors") in the other relevant Person(s) (collectively, the "Investees"): (a) with respect to equity Investments, if applicable, the amount of the equity Investments made by the subject Investors in the subject Investees after March 31, 2004 (determined at book value as of the dates such Investments are made) *less* the amount of any cash dividends or other cash distributions distributed by the subject Investees to the subject Investors after March 31, 2004 in respect of the subject Investees' equity interests *plus* (without duplication) the amount of any loans to the subject Investees which are forgiven or otherwise converted into equity; (b) with respect to Investments in the form of loans, if applicable, the principal amount advanced by the subject Investors to the subject Investees after March 31, 2004 *less* the amount of all principal payments made by the subject Investees to the subject Investors after March 31, 2004 in respect of loans *less* (without duplication) the amount of any loans to the subject Investees which are forgiven or otherwise converted into equity; and (c) with respect to debt Investments in the form of guarantees of Indebtedness

of the subject Investees by the subject Investors, the face amount of the guaranties made after March 31, 2004, less the face amount of any guaranties that expire or are cancelled (to the extent not drawn upon) after March 31, 2004 (if any guaranty is drawn upon, then, to the extent of such drawing, it shall be considered a debt Investment). Notwithstanding the foregoing, to the extent that either (i) the amount of cash dividends or other cash distributions exceeds the amount of equity Investments otherwise made by any Investor in any subject Investee or (ii) the principal amount of debt repaid by any Investee exceeds the principal amount advanced to the subject Investee by the subject Investor, then, in either case, such excess shall not be applied to reduce the Aggregate Net Amount of Investment in any other Investee. In calculating the Aggregate Net Amount of Investments in any Investees, there will be excluded from such calculation (i) any amount that is contributed from the proceeds of equity issuances of the Borrower consummated after March 31, 2004 and (ii) the contribution to any Investee of capital stock of the Borrower held in treasury on March 31, 2004 or any contributions to any Investee of the proceeds from any transfer thereof by the Borrower or any other Investee.

(v) The calculation of the Aggregate Net Amount of all Investments made in any Multi-Tier Investment Transaction (defined below) shall not be done in a duplicative manner. "Multi-Tier Investment Transaction" shall mean any series of Investments made involving Borrower and/or any of its Consolidated Subsidiaries over any period of not more than 90 days where Borrower deems the proceeds of the initial Investment (the "Initial Investment") to have been used to make one or more subsequent Investments (each a "Subsequent Investment"); provided, however, that each such Subsequent Investment shall be deemed not to exceed the amount of the Initial Investment or Subsequent Investment, as applicable, that immediately precedes it in such series. The calculation of the Aggregate Net Amount of the Investments made in any Multi-Tier Investment Transaction as it relates to the usage of the equity Investment basket and the foreign Investment basket in the respective subsections (d)(i) and (d)(ii) of this Section 5.16 shall be performed so that once any portion of the Initial Investment or any Subsequent Investment is applied in a way that constitutes usage of the applicable basket (such application being defined herein as an "Initial Basket Application"), all subsequent applications of such portion that would otherwise constitute usage of that basket (such application being defined herein as a "Subsequent Basket Exemption") are disregarded in the calculation of the usage of such basket. Furthermore, no return on any Subsequent Investment that constitutes a Subsequent Basket Exemption shall reduce the Aggregate Net Amount of the basket usage of the Investments involved in any Multi-Tier Investment Transaction unless such return is also distributed as a return on the related Initial Investment or Subsequent Investment, as applicable, constituting the Initial Basket Application (and

until so distributed, such return shall be available for reinvestment as another Subsequent Basket Exemption).

(e) loans or advances to employees, officers or directors of the Borrower or any Consolidated Subsidiary in the ordinary course of business for travel, relocation and other business related expenses;

(f) Hedging Agreements permitted by Section 5.19;

(g) Permitted Acquisitions;

(h) Permitted Securitization Subsidiaries;

(i) Investments by Foreign Subsidiaries in other Foreign Subsidiaries, including transfers of such Investments between Foreign Subsidiaries (without regard to the limitations set forth in subsection (d) of this Section 5.16);

(j) Investments transferred to Capital Management Subsidiary as a result of the Capital Management Subsidiary Transfer;

(k) Investments by Borrower or any domestic Consolidated Subsidiary in any other domestic Consolidated Subsidiary to the extent consisting of any contribution of the contributors' holdings of equity interests in any other domestic Consolidated Subsidiary; and

(l) Investments by Borrower or any domestic Consolidated Subsidiary in any other Consolidated Subsidiary (domestic or foreign) to the extent consisting of any contribution of the contributors' holdings of equity interests in any Foreign Subsidiary.

(j) The Agreement is hereby further amended by deleting the "and" at the end of clause (c) of Section 5.18 and deleting clause (d) of Section 5.18 in its entirety and by adding a new clause (d) and a new clause (e) at the end of such Section reading as follows:

(d) transfers made as part of Acquisitions and Investments permitted under Section 5.16 hereof; and

(e) the sale or other disposition of such assets (which may include the capital stock of any Subsidiary of the Borrower or all or substantially all of the assets of any Subsidiary of the

Borrower) so long as (i) the aggregate Consolidated EBIT attributable to assets which are disposed of in any fiscal year of the Borrower does not exceed 10% of the Consolidated EBIT for the immediately preceding fiscal year and (ii) the aggregate amount of assets (determined at book value in accordance with GAAP) which are disposed of in any fiscal year of the Borrower do not exceed in the aggregate 10% of the Consolidated Total Assets as of the end of the immediately preceding fiscal year.

(k) The Agreement is hereby further amended by adding Schedule 5.16 attached hereto.

(l) The Agreement is hereby further amended by adding Exhibit F attached hereto.

Section 2. Benefits of Loan Documents.

Each reference to the "Credit Agreement" in any of the Loan Documents shall be deemed to be a reference to such agreement as amended by this Amendment, and as may from time to time be further amended, supplemented, restated or otherwise modified in the future by one or more other written amendments or supplemental or modification agreements entered into pursuant to the applicable provisions thereof.

Section 3. Effectiveness of Amendment. This Amendment shall become effective as of the date first above written upon the execution hereof by the Lender and the Borrower.

Section 4. Representations. The Borrower represents to the Lender that:

(a) The execution, delivery and performance by the Borrower of this Amendment, (i) does not require any consent or approval of, registration or filing with, or any action by, any Governmental Authority, except those as have been obtained or made and are in full force and effect or where the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, (ii) will not violate any applicable law or regulation or any order of any Governmental Authority which could reasonably be expected to have a Material Adverse Effect, (iii) will not violate the charter, by-laws or other organizational documents of the Borrower or any of its Consolidated Subsidiaries, (iv) will not violate or result in a default under any indenture, material agreement or other material instrument binding on the Borrower or any of its Consolidated Subsidiaries or any of its assets or give rise to a right thereunder to require any payment to be made by the Borrower or any of its Consolidated Subsidiaries and (v) will not result in the creation or imposition of any Lien on any asset of the Borrower or any of its Consolidated Subsidiaries, except Liens (if any) created under the Loan Documents.

(b) The execution, delivery and performance by the Borrower of this Amendment is within the Borrower's organizational powers and has been duly authorized by all necessary organizational, and if required, stockholder action. This Amendment has been duly executed and delivered by the Borrower, and constitutes the valid and binding obligation of the Borrower,

enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(c) Immediately after giving effect to this Amendment, no Default or Event of Default exists.

Section 5. Reaffirmation. The Borrower hereby repeats and reaffirms all representations and warranties made by the Borrower in the Agreement and the other Loan Documents to which it is a party as of the date hereof with the same force and effect as if such representations and warranties were set forth in this Amendment in full except to the extent such representations expressly relate to an earlier date or have been updated to the extent permitted by the Agreement.

Section 6. Benefits. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 7. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF GEORGIA.

Section 8. Effect. Except as expressly herein amended, the terms and conditions of the Agreement shall remain in full force and effect. In furtherance hereof, the Borrower confirms that, unless otherwise agreed to hereafter by Lender, the Borrower will continue to follow the Cash Management Arrangement as presently set forth in Section 2.2 and Exhibit B of the Credit Agreement, which will include, without limitation: (i) the Borrower continuing to utilize all proceeds of advances under the Revolver to fund intercompany loans by the Borrower directly to CCS (and the Borrower specifically agrees not to fund such intercompany loans through any of its Affiliates, including, without limitation, the Capital Management Subsidiary); and (ii) any intercompany loan between the Borrower and CCS that results from any advance under the Revolver will not be transferred by the Borrower or CCS to any of their respective Affiliates (including, without limitation, the Capital Management Subsidiary) and will not be forgiven or cancelled except in connection with the full repayment of such intercompany loan (any breach of the aforementioned covenant contained in (ii) will result in an Event of Default). Notwithstanding anything to the contrary in any Loan Document, the Lender hereby consents to all Investments made by the Borrower and its Consolidated Subsidiaries on or prior to March 31, 2004.

Section 9. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their authorized officers all as of the day and year first above written.

CERTEGY INC.

By _____
Name:
Title:

**WACHOVIA BANK, NATIONAL
ASSOCIATION
as Lender**

By _____
Name:
Title:

EXHIBIT E

MASTER INTERCOMPANY NOTE

August __, 2004

FOR VALUE RECEIVED, each of the parties hereto, in its capacity as a borrower (each, in such capacity, an "Intercompany Borrower"), hereby promises to pay to the order of each of the other parties hereto, in its capacity as a lender (each, in such capacity, an "Intercompany Lender"), as applicable, the unpaid principal amount of advances made by the applicable Intercompany Lender to the applicable Intercompany Borrower from time to time as shown on the general ledger of the applicable Intercompany Lender at such time, unless previously paid in full, **ON DEMAND**, and to pay interest on such unpaid principal amount for each day such amount shall remain outstanding at the interest rate agreed to by the applicable Intercompany Borrower and the applicable Intercompany Lender from time to time with such interest payable at such times as may be required the applicable Intercompany Lender.

It is contemplated that the parties to this Master Intercompany Note shall be Certegy Capital, Inc., a Georgia corporation ("Capital"), Certegy Inc., a Georgia corporation ("Certegy"), and certain of Certegy's direct and indirect subsidiaries, as they may exist from time to time. Additional parties may be added to this Master Intercompany Note by the execution and delivery of a Joinder to Master Intercompany Note substantially in the form attached hereto as Exhibit A (or in such other form as may be approved by Capital, in its sole discretion). Any of the parties to this Master Intercompany Note may be removed as parties hereto at any time by the execution and delivery of a Withdrawal from Master Intercompany Note substantially in the form attached hereto as Exhibit B (or in such other form as may be approved by Capital, in its sole discretion); provided, however, that (i) neither Certegy nor Capital may be removed unless all then remaining parties to this Master Intercompany Note are removed and this Master Intercompany Note is cancelled and (ii) unless this Master Intercompany Note is cancelled, no party hereto may be removed from this Master Intercompany Note at any time when either (a) such party remains indebted to another party hereto for money borrowed or (b) such party is owed money by another party hereto for money borrowed (unless in the case of either clause (a) or (b) above, the remaining indebtedness is then separately documented by a promissory note between the relevant parties).

Presentment, demand, protest and notice of dishonor are hereby waived by the parties hereto.

This Master Intercompany Note is one of the Intercompany Notes referred to in that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement") and is made in accordance with the provisions of Section 7.4 thereof.

This Master Intercompany Note may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to all parties hereto.

THIS MASTER INTERCOMPANY NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, each of the parties hereto has executed this Master Intercompany Note as of the date of issuance first above written.

CERTEGY INC.

CERTEGY CAPITAL, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT A
TO
MASTER INTERCOMPANY NOTE

FORM OF JOINDER TO MASTER INTERCOMPANY NOTE

JOINDER TO MASTER INTERCOMPANY NOTE

THIS JOINDER TO MASTER INTERCOMPANY NOTE ("Joinder") is made by the undersigned (collectively, the "Additional Party") as of _____, 20___, and supplements that certain Master Intercompany Note dated as of August __, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, and as subject to this and any other joinder thereto or withdrawal therefrom, the "Master Intercompany Note") by and among Certegy Capital, Inc., Certegy Inc. and the other parties thereto as borrowers and lenders.

Reference is made to that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Intercompany Note, and if not defined therein, shall have the meanings ascribed to such terms in the Credit Agreement.

Pursuant to Section 7.4 of the Credit Agreement, the Additional Party is required to enter into the Master Intercompany Note on or prior to the time that certain investments are made between the Additional Party and one or more other parties to the Master Intercompany Note. The Master Intercompany Note provides that additional parties may become parties under the Master Intercompany Note by execution and delivery of an instrument substantially in the form of this Joinder.

In accordance with the Master Intercompany Note, the Additional Party by its signature below becomes a party to the Master Intercompany Note with the same force and effect as if originally named therein as a party thereto and the Additional Party hereby agrees to all the terms thereof. Each reference to an "Intercompany Borrower" or an "Intercompany Lender" in the Master Intercompany Note shall be deemed to include the Additional Party, as applicable, in its appropriate capacity. The Master Intercompany Note is hereby incorporated by reference.

This Joinder may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to Capital. This Joinder shall become effective as of the date first set forth above upon delivery to Capital of a copy of this Joinder that bears the signature of the Additional Party.

Except as expressly supplemented hereby, the Master Intercompany Note shall remain in full force and effect.

THIS JOINDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, the Additional Party has duly executed this Joinder as of the day and year first above written.

[NAME OF ADDITIONAL PARTY]

By: _____

Name:

Title:

[add any further Additional Party signature blocks here]

EXHIBIT B
TO
MASTER INTERCOMPANY NOTE

FORM OF WITHDRAWAL FROM MASTER INTERCOMPANY NOTE

WITHDRAWAL FROM MASTER INTERCOMPANY NOTE

THIS WITHDRAWAL FROM MASTER INTERCOMPANY NOTE ("Withdrawal") is made by the undersigned (collectively, the "Withdrawing Party") as of _____, 20__, and supplements that certain Master Intercompany Note dated as of August __, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, and as subject to this and any other joinder thereto or withdrawal therefrom, the "Master Intercompany Note") by and among Certegy Capital, Inc., Certegy Inc. and the other parties thereto as borrowers and lenders.

Reference is made to that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Intercompany Note, and if not defined therein, shall have the meanings ascribed to such terms in the Credit Agreement.

Pursuant to Section 7.4 of the Credit Agreement, the Withdrawing Party was required to enter into the Master Intercompany Note on or prior to the time that certain investments were to be made between the Withdrawing Party and one or more other parties to the Master Intercompany Note. The Master Intercompany Note provides that existing parties thereto may withdraw therefrom upon the satisfaction of certain conditions and the execution and delivery of an instrument substantially in the form of this Withdrawal.

In accordance with the Master Intercompany Note, the Withdrawing Party by its signature below hereby withdraws from the Master Intercompany Note, effective as of the date recited in Capital's acceptance hereof below.

This Withdrawal may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to Capital.

Except as against the Withdrawing Party from and after the effectiveness of this Withdrawal, the Master Intercompany Note shall remain in full force and effect.

THIS WITHDRAWAL SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, the Withdrawing Party has duly executed this Withdrawal as of the day and year first above written.

[NAME OF WITHDRAWING PARTY]

By: _____

Name:

Title:

[add any further Withdrawing Party signature blocks here]

Accepted as of the __ day of _____, 20__, by

CERTEGY CAPITAL, INC.

By: _____

Name:

Title:

CERTAIN INVESTMENTS IN THE BORROWER AND ITS SUBSIDIARIES
(as of March 31, 2004)¹

A. Net Investments by the Borrower in its Domestic Subsidiaries

(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Inc.	Certegy Europe LLC		\$ 33,515,259
Certegy Inc.	Certegy Payment Services, Inc.		\$ 104,793,452
Certegy Inc.	Certegy First Bankcard Systems Inc.		\$ 10,738,188
Certegy Inc.	Certegy Asia Pacific Holdings, Inc.		\$ 500
Certegy Inc.	Certegy Asset Management Inc.		\$ 500
Certegy Inc.	Certegy Licensing Services, Inc.		\$ 500
Certegy Inc.	Certegy Capital, Inc.	\$ 178,572	\$ 500
Certegy Inc.	Certegy Transaction Services, Inc.	\$ 61,324,972	
Certegy Inc.	Certegy Payment Recovery Services, Inc.	\$ 24,817,313	
Certegy Inc.	Certegy Card Services, Inc.	\$ 157,301,250	
Certegy Inc.	Certegy E Banking Services, Inc.	\$ 10,153,538	
Certegy Inc.	Financial Insurance Marketing Group Inc.	\$ 82,052	
Certegy Inc.	Crittson Financial Corporation	\$ 102,233	
Certegy Inc.	Certegy Asia Pacific Holdings, Inc.	\$ 9,439,871	
Certegy Inc.	Certegy Global Card Services, Inc.	\$ 15,228,920	

¹ Where offsetting Investments exist between any two Persons, this Schedule 5.16 may give effect to the netting of such Investments between those Persons by only disclosing a single investment by one Person in the other Person.

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Inc.	Payment South America Holdings, Inc.	\$ 7,815,103	
Certegy Inc.	Card Brazil Holdings, Inc.,	\$ 574,220	
Total:		\$ 287,018,044	\$ 149,048,899

B. Net Investments by the Borrower and its Domestic Subsidiaries in Foreign Subsidiaries

(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Inc.	Certegy Canada, Inc.	\$ 5,347	\$ 2,462,887
Certegy Check Services, Inc.	Certegy Canada, Inc.	\$ 46,559	
Certegy Europe LLC	Certegy Ltd.		\$ 33,515,259
Certegy Inc.	Certegy Ltd.	\$ 236,036	
Payment South America Holdings Inc.	Payment Chile S.A		\$ 11,386,008
Payment South America Holdings Inc.	Payment Brasil Holdings Ltda.		\$ 140,796,511
Payment South America Holdings Inc.	Payment Brasil Holdings Ltda.		\$ 9,816,495
Card Brazil Holdings, Inc.	AGES Participacoes Ltda		\$ 58,775,314
Certegy First Bankcard Systems Inc.	Certegy Ltda.	\$ 1,195,917	
Certegy Card Services, Inc.	Certegy Ltda.	\$ 243,377	
Certegy Asia Pacific Holdings Inc.	Certegy Card Services Australia Pty Ltd.		\$ 8,915,599
Certegy First Bankcard Systems Inc.	Certegy Card Services Australia Pty Ltd.	\$ 464,635	
Certegy Card Services, Inc.	Certegy Card Services Australia Pty Ltd.	\$ 233,725	

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Inc.	Certegy Card Services Australia Pty Ltd.	\$ 395,957	
Certegy First Bankcard Systems Inc.	Certegy Card Services Ltd.	\$ 346,066	
Certegy Card Services, Inc.	Certegy Card Services Ltd.	\$ 117,403	
Certegy Global Card Services, Inc.	Certegy Card Services Ltd.	\$ 502,745	
Total:		\$ 3,787,767	\$ 265,668,073

C. Net Investments by Foreign Subsidiaries in the Borrower and its Domestic Subsidiaries
(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Card Services Australia Pty Ltd.	Certegy Global Card Services, Inc.	\$ 116,696	
Certegy Canada, Inc.	Certegy First Bankcard Systems, Inc.	\$ 49,957	
Certegy (Cayman Islands) Ltd.	Certegy First Bankcard Systems, Inc.	\$ 548,382	
Certegy S.A.	Certegy Card Services, Inc.	\$ 88,699	
Total:		\$ 803,734	

D. Net Investments by Domestic Subsidiaries in Domestic Subsidiaries
(US\$'s)

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Payment Services, Inc.	Certegy Card Services, Inc.	\$ 86,760	\$ 64,033,027

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Transaction Services, Inc.	Game Financial Corporation	\$ 121,527	\$ 43,078,657
Certegy Transaction Services, Inc.	Certegy Check Services, Inc.	\$ 5,258,412	
Certegy Card Services, Inc.	Certegy First Bankcard Systems, Inc.	\$ 28,231	
Certegy Card Services, Inc.	Certegy Transaction Services, Inc.	\$ 62,384	
Certegy Card Services, Inc.	Certegy Payment Recovery Services, Inc.	\$ 1,136,952	
Certegy Card Services, Inc.	Certegy Check Services, Inc.	\$ 3,153,588	
Certegy Card Services, Inc.	Certegy E-Banking Services, Inc.	\$ 195,065	
Certegy Card Services, Inc.	Certegy Licensing Services, Inc.	\$ 335,385	
Certegy Card Services, Inc.	Certegy Global Card Services, Inc.	\$ 138,887	\$ 500
Financial Insurance Marketing Group, Inc.	Certegy Card Services, Inc.	\$ 573	
Certegy E-Banking Services, Inc.	Certegy Check Services, Inc.	\$ 5,387	
Certegy Licensing Services, Inc.	First Bankcard Systems, Inc.	\$ 137,400	
Certegy Licensing Services, Inc.	Certegy Check Services, Inc.	\$ 6,756	
Certegy First Bankcard Systems, Inc.	Certegy Global Card Services, Inc.	\$ 117,391	
Certegy Payment Recovery Services, Inc.	Certegy Transaction Services, Inc.	\$ 40,671	
Certegy Payment Recovery Services, Inc.	Certegy Check Services, Inc.	\$ 3,583,853	
GameCash, Inc.	Certegy Check Services, Inc.	\$ 143,250	
Certegy Payment Services, Inc.	Certegy Check Services, Inc.		\$ 204,029
Certegy Payment Services, Inc.	Certegy Transaction Services, Inc.		\$ 500

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Payment Services, Inc.	Financial Insurance Marketing Group, Inc.		\$ 1,000
Certegy Payment Services, Inc.	Certegy E-Banking Services, Inc.		\$ 8,600,000
Certegy Check Services, Inc.	Certegy Payment Recovery Services, Inc.		\$ 418,334
Certegy Card Services, Inc.	Payment South America Holdings, Inc.		\$ 207,540,198
Payment South America Holdings, Inc.	Payment South America LLC		\$ 100
Payment South America Holdings, Inc.	Card Brazil Holdings, Inc.		\$ 55,357,679
Card Brazil Holdings, Inc.	Card Brazil LLC		\$ 100
Certegy Card Services, Inc.	Crittson Financial Corporation		\$ 20,750,000
Total:		\$ 14,552,472	\$ 399,984,124

**E. Net Investments by Foreign Subsidiaries in Foreign Subsidiaries
(UK£ unless otherwise noted)**

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Ltd.	Certegy Card Services Ltd.	17,080,544	11,101,763
Certegy Card Services Ltd.	Certegy Card Services Australia Pty Ltd.	5,474	
Certegy Australia plc	Certegy Card Services Australia Pty Ltd.	A\$ 12,639,722	
Certegy Ireland Ltd.	Certegy France SNC	1,692,721	
Transax plc	Certegy Ltd.	3,385,507	

<u>Investment Holder</u>	<u>Entity Invested In</u>	<u>Investment Amount (for Loan Investments)</u>	<u>Investment Amount (for Equity Investments)</u>
Certegy Ltd.	Certegy France SNC	342,675	
Certegy Ltd.	Certegy Ireland Ltd.	430,809	
Certegy Ltd.	Certegy Australia plc	1,942,063	
Certegy Ltd.	Certegy New Zealand Ltd.	222,575	
VIV plc	Certegy Ltd.	268,083	
Certegy New Zealand Ltd.	Certegy Australia plc	495,647	
Certegy France	Certegy France SNC	344,822	
Payment Brasil Holdings Ltda.	Certegy (Cayman Islands) Ltd.		R\$ 1,629,493
Payment Brasil Holdings Ltda.	Certegy Ltda.		R\$ 167,296,011
AGES Participacoes	Certegy Ltda.		US\$ 58,775,314
Payment Chile S.A.	Certegy S.A.		CHP5,945,695,918
Certegy Ltd.	Transax plc		16,973,572
Transax plc	Certegy France plc		495,319
Certegy France plc	Certegy France SNC		3,008
Transax plc	Certegy Ireland Ltd.		96
Transax plc	Central Credit Services Ltd.		2
Transax plc	VIV plc		500,000
Transax plc	Certegy Australia plc		6,615,431
Transax plc	Retail Credit Management Ltd.		2
Transax plc	Certegy New Zealand Ltd.		1,179,470
Transax plc	Aircrown Ltd.		100
Transax plc	Admast Tax Free Shopping plc		1,000
Retail Credit Management Ltd	Transax plc	62,868	
Total:		Xxxxxxxxxx	xxxxxxxxxx

FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT

THIS FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT dated as of August 24, 2004 (the "Amendment") by and among CERTEGY INC., a Georgia corporation (the "Borrower"), the several banks and other financial institutions from time to time party hereto (the "Lenders"), Wachovia Bank, National Association, as syndication agent, Bank of America, N.A., as documentation agent and SUNTRUST BANK, in its capacity as Administrative Agent for the Lenders (the "Administrative Agent").

WHEREAS, the Borrower, the Administrative Agent and the Lenders are parties to that certain Revolving Credit Agreement dated as of September 3, 2003, by and among the Borrower, the Administrative Agent and the other Lenders (the "Credit Agreement"; all capitalized terms not otherwise defined herein shall have the meanings set forth in the Credit Agreement), pursuant to which the Lenders have made available certain financial accommodations to the Borrower and certain designated subsidiaries of the Borrower;

WHEREAS, the parties wish to amend the Credit Agreement, but only on the terms and conditions contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

Section 1. Amendments.

(a) The Credit Agreement is hereby amended by deleting the definition of "Acquisition" in Section 1.1 and inserting in lieu thereof the following:

"Acquisition" shall mean any acquisition, whether by stock purchase, asset purchase, merger, consolidation or otherwise of all or substantially all of the capital stock or assets of a Person or the acquisition of a business line of a Person. For the avoidance of doubt, the purchase price paid, and any debt incurred or obligations assumed, by a Person in connection with an Acquisition (along with the related costs and expenses incurred by such Person) shall not be deemed to be an "Investment" by such Person under the provisions of this Agreement.

(b) The Credit Agreement is hereby further amended by deleting the definition of “Intercompany Note” in Section 1.1 and inserting in lieu thereof the following:

“**Intercompany Note**” shall mean one or more intercompany notes executed and delivered by and among the Borrower and/or any of its Subsidiaries in substantially the form attached hereto as Exhibit E or any other form approved by the Administrative Agent.

(c) The Credit Agreement is hereby further amended by deleting the definition of “Permitted Investments” in Section 1.1 and inserting in lieu thereof the following:

“**Permitted Investments**” shall mean:

(i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;

(ii) commercial paper having the highest rating, at the time of acquisition thereof, of S&P or Moody’s and in either case maturing within six months from the date of acquisition thereof;

(iii) certificates of deposit, bankers’ acceptances and time deposits maturing within 180 days of the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(iv) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (i) above and entered into with a financial institution satisfying the criteria described in clause (iii) above; and

(v) mutual funds investing solely in any one or more of the Permitted Investments described in clauses (i) through (iv) above; and

(vi) with respect to investments made by Foreign Subsidiaries, Investments (with maturities less than one year) of a non-speculative nature which are made with preservation of principal as the primary objective and in each case in accordance with normal investment practices for cash management of such Foreign Subsidiaries.

(d) The Credit Agreement is hereby further amended by deleting the definition of “Restricted Investment” in Section 1.1 and inserting in lieu thereof the following:

“**Restricted Investment**” shall mean Investments by the Borrower or any of its Consolidated Subsidiaries in any Person other than the Borrower and its Consolidated Subsidiaries. In the event that any Investment made by the Borrower or any of its Consolidated Subsidiaries is not otherwise permitted under the provisions of this Agreement, such Investment shall be deemed to be a Restricted Investment.

(e) The Credit Agreement is hereby further amended by deleting the definition of “Total Acquisition Consideration” in Section 1.1 and inserting in lieu thereof the following:

“**Total Acquisition Consideration**” shall mean as at the date of any Acquisition: (a) the sum of, without duplication, (i) the amount of any cash and fair market value of other property given as consideration, including at such date the deferred payment of any such amounts, (ii) the amount (determined by using the outstanding amount or the amount payable at maturity, whichever is greater) of any obligations for money borrowed incurred, assumed or acquired by the Borrower or any Subsidiary in connection with such Acquisition, (iii) all amounts paid in respect of covenants not to compete and consulting agreements that should be recorded on the financial statements of the Borrower and its Subsidiaries in accordance with GAAP, and (iv) the aggregate fair market value of all other consideration given by the Borrower or any Subsidiary (including any shares of capital stock of the Borrower or any Subsidiary) in connection with such Acquisition; minus (b) all cash and cash equivalents (as determined in accordance with GAAP) acquired in connection with such Acquisition as reflected on a balance sheet for the acquired company or acquired assets, as applicable (prepared as of the closing date of the Acquisition).

(f) The Credit Agreement is hereby further amended by adding the following definition to Section 1.1 of the Credit Agreement:

“**Capital Management Subsidiary**” shall mean a domestic Wholly-Owned Subsidiary (direct or indirect) of the Borrower whose activities are limited to making and maintaining Investments in Subsidiaries of the Borrower and Permitted Investments and activities incidental thereto.

(g) The Credit Agreement is hereby further amended by adding the following definition to Section 1.1 of the Credit Agreement:

“**Capital Management Subsidiary Transfer**” shall mean one or more transfers on or prior to September 30, 2004 of Investments by the Borrower and its Consolidated Subsidiaries to the Capital Management Subsidiary in an aggregate amount not to exceed \$300,000,000.

(h) The Credit Agreement is hereby further amended by deleting Section 4.16 in its entirety and inserting in lieu thereof the following:

“Section 4.16 Investments. As of March 31, 2004, the Borrower and its Consolidated Subsidiaries have no Investments (other than Permitted Investments), which individually exceed \$1,000,000 or in the aggregate exceed \$10,000,000, except as set forth on Schedule 4.16; provided, however, that where offsetting Investments exist between any two Persons, Schedule 4.16 may give effect to the netting of such Investments between those Persons by only disclosing a single investment by one Person in the other Person.”

(i) The Credit Agreement is hereby further amended by adding the following new Section 4.17 to the end of Article IV:

“Section 4.17 Foreign Assets Control Regulations, etc. Neither the making of any Loan nor the use of the proceeds thereof nor the issuance of any Letter of Credit will violate (a) the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto, (b) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the “Patriot Act”) or (c) Executive Order No. 13,224, 66 Fed. Reg. 49,079 (2001), issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism). Without limiting the foregoing, neither the Borrower nor any of its Consolidated Subsidiaries is a “blocked person” as described in Section 1 of such Executive Order.

(j) The Credit Agreement is hereby further amended by deleting Section 7.4 in its entirety and inserting in lieu thereof the following new Section 7.4:

Section 7.4. Investments, Loans, Acquisitions, Etc. The Borrower will not, and will not permit any of its Consolidated Subsidiaries to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a Wholly-Owned Subsidiary prior to such merger), any common stock, evidence of indebtedness or other securities (including any option, warrant, or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, Guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other Person (all of the foregoing being collectively called “Investments”, which term shall include all Restricted Investments but shall exclude all Acquisitions and shall exclude the rendition of services

and provision of property or any charge therefor), or consummate any Acquisitions, except:

(a) Permitted Investments;

(b) Guarantees constituting Indebtedness not prohibited by Section 7.1; provided, that the aggregate principal amount of Indebtedness of Consolidated Subsidiaries or any other entity that is Guaranteed by the Borrower or any other Consolidated Subsidiary shall be subject to the limitations set forth in clauses (c) and (d) hereof;

(c) Investments by (i) the Borrower in its domestic Consolidated Subsidiaries; (ii) the Borrower and its domestic Consolidated Subsidiaries in all Foreign Subsidiaries and (iii) all Foreign Subsidiaries in all domestic Consolidated Subsidiaries and in the Borrower, all to the extent existing on March 31, 2004 and identified on Schedule 4.16 hereof (provided, however, that where offsetting Investments exist between any two Persons, all such Investments between such Persons existing on March 31, 2004 shall be deemed permitted under this Section 7.4(c) even though Schedule 4.16 gives effect to the netting of such Investments between those Persons by disclosing only a single investment by one Person in the other Person);

(d) (i) Investments (other than Investments in Consolidated Subsidiaries in the form of loans and Investments resulting from the Capital Management Subsidiary Transfer) made after March 31, 2004 by the Borrower and its Consolidated Subsidiaries in all Consolidated Subsidiaries (domestic or foreign) and all Restricted Investments (whether in the form of loans or equity) made at any time; provided, however, that the Aggregate Net Amount (defined below) of such Investments and Restricted Investments, without duplication, shall not exceed \$200,000,000.

(ii) Investments (including, without limitation, those in the form of loans) made after March 31, 2004 by the Borrower and its domestic Consolidated Subsidiaries in all Foreign Subsidiaries; provided, however, that (i) the Aggregate Net Amount of such Investments made after March 31, 2004 (together with, but without duplication, all Guarantees made after March 31, 2004 by the Borrower and its domestic Consolidated Subsidiaries of Indebtedness of all Foreign Subsidiaries) shall not exceed \$100,000,000. To the extent that a particular Investment is of the

type contemplated by both clause (d)(i) and clause (d)(ii) of this Section 7.4, it must comply with both such clauses.

(iii) Investments made in the form of loans at any time by the Borrower to its domestic Consolidated Subsidiaries or by any domestic Consolidated Subsidiaries to the Borrower or its domestic Consolidated Subsidiaries. Any Investments made by the Borrower or any Consolidated Subsidiary in any Consolidated Subsidiary (domestic or foreign) in the form of loans shall be permitted only if otherwise permitted hereunder and evidenced by an Intercompany Note. Any Investments in the form of loans may be forgiven by the payee thereof, in whole or in part, or otherwise converted by the payee, in whole or in part, into equity Investments so long as (y) immediately before and immediately after giving effect to the forgiveness or conversion of such loans, no Event of Default shall have occurred and be continuing and (z) the Borrower and its Consolidated Subsidiaries shall otherwise be in compliance with the limitations on Investments set forth in this Section 7.4 after giving effect to such forgiveness or conversion.

(iv) The term "Aggregate Net Amount" shall mean the sum (whether positive or negative) of the following Investments maintained by the relevant Person(s) making such Investments (collectively, the "Investors") in the other relevant Person(s) (collectively, the "Investees"): (a) with respect to equity Investments, if applicable, the amount of the equity Investments made by the subject Investors in the subject Investees after March 31, 2004 (determined at book value as of the dates such Investments are made) *less* the amount of any cash dividends or other cash distributions distributed by the subject Investees to the subject Investors after March 31, 2004 in respect of the subject Investees' equity interests *plus* (without duplication) the amount of any loans to the subject Investees which are forgiven or otherwise converted into equity; (b) with respect to Investments in the form of loans, if applicable, the principal amount advanced by the subject Investors to the subject Investees after March 31, 2004 *less* the amount of all principal payments made by the subject Investees to the subject Investors after March 31, 2004 in respect of loans *less* (without duplication) the amount of any loans to the subject Investees which are forgiven or otherwise converted into equity; and (c) with respect to debt Investments in the form of guarantees of Indebtedness of the subject Investees by the subject Investors, the face amount of the guaranties made after March 31, 2004, less the face amount of any guaranties that expire or are cancelled (to the extent not drawn upon) after March 31, 2004 (if any guaranty is

drawn upon, then, to the extent of such drawing, it shall be considered a debt Investment). Notwithstanding the foregoing, to the extent that either (i) the amount of cash dividends or other cash distributions exceeds the amount of equity Investments otherwise made by any Investor in any subject Investee or (ii) the principal amount of debt repaid by any Investee exceeds the principal amount advanced to the subject Investee by the subject Investor, then, in either case, such excess shall not be applied to reduce the Aggregate Net Amount of Investment in any other Investee. In calculating the Aggregate Net Amount of Investments in any Investees, there will be excluded from such calculation (i) any amount that is contributed from the proceeds of equity issuances of the Borrower consummated after March 31, 2004 and (ii) the contribution to any Investee of capital stock of the Borrower held in treasury on March 31, 2004 or any contributions to any Investee of the proceeds from any transfer thereof by the Borrower or any other Investee.

(v) The calculation of the Aggregate Net Amount of all Investments made in any Multi-Tier Investment Transaction (defined below) shall not be done in a duplicative manner. "Multi-Tier Investment Transaction" shall mean any series of Investments made involving Borrower and/or any of its Consolidated Subsidiaries over any period of not more than 90 days where Borrower deems the proceeds of the initial Investment (the "Initial Investment") to have been used to make one or more subsequent Investments (each a "Subsequent Investment"); provided, however, that each such Subsequent Investment shall be deemed not to exceed the amount of the Initial Investment or Subsequent Investment, as applicable, that immediately precedes it in such series. The calculation of the Aggregate Net Amount of the Investments made in any Multi-Tier Investment Transaction as it relates to the usage of the equity Investment basket and the foreign Investment basket in the respective subsections (d)(i) and (d)(ii) of this Section 7.4 shall be performed so that once any portion of the Initial Investment or any Subsequent Investment is applied in a way that constitutes usage of the applicable basket (such application being defined herein as an "Initial Basket Application"), all subsequent applications of such portion that would otherwise constitute usage of that basket (such application being defined herein as a "Subsequent Basket Exemption") are disregarded in the calculation of the usage of such basket. Furthermore, no return on any Subsequent Investment that constitutes a Subsequent Basket Exemption shall reduce the Aggregate Net Amount of the basket usage of the Investments

involved in any Multi-Tier Investment Transaction unless such return is also distributed as a return on the related Initial Investment or Subsequent Investment, as applicable, constituting the Initial Basket Application (and until so distributed, such return shall be available for reinvestment as another Subsequent Basket Exemption).

(e) loans or advances to employees, officers or directors of the Borrower or any Consolidated Subsidiary in the ordinary course of business for travel, relocation and other business related expenses;

(f) Hedging Agreements permitted by Section 7.10;

(g) Permitted Acquisitions;

(h) Permitted Securitization Subsidiaries;

(i) Investments by Foreign Subsidiaries in other Foreign Subsidiaries, including transfers of such Investments between Foreign Subsidiaries (without regard to the limitations set forth in subsection (d) of this Section 7.4);

(j) Investments transferred to Capital Management Subsidiary as a result of the Capital Management Subsidiary Transfer;

(k) Investments by Borrower or any domestic Consolidated Subsidiary in any other domestic Consolidated Subsidiary to the extent consisting of any contribution of the contributors' holdings of equity interests in any other domestic Consolidated Subsidiary; and

(l) Investments by Borrower or any domestic Consolidated Subsidiary in any other Consolidated Subsidiary (domestic or foreign) to the extent consisting of any contribution of the contributors' holdings of equity interests in any Foreign Subsidiary.

(k) The Credit Agreement is hereby further amended by deleting Section 7.5 and substituting in lieu thereof the following new Section 7.5:

Section 7.5. Restricted Payments. The Borrower will not, and will not permit its Consolidated Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any dividend on any class of its stock, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, retirement, defeasance or other acquisition of, any shares of common stock or Indebtedness subordinated to the Obligations of the Borrower or any options, warrants, or other rights to purchase such common stock or such Indebtedness, whether now or hereafter outstanding (each, a “*Restricted Payment*”), except for (i) dividends payable by the Borrower solely in shares of any class of its common stock, (ii) Restricted Payments made by any Consolidated Subsidiary or any Permitted Securitization Subsidiary to the Borrower or to another Consolidated Subsidiary or, in the case of a Permitted Securitization Subsidiary, any Consolidated Subsidiary, (iii) cash dividends paid on, and cash redemptions of, the common stock of the Borrower and (iv) dividends and distributions made with respect to, and redemptions of, any stock of any Consolidated Subsidiary; provided, that, in each case, no Event of Default has occurred and is continuing at the time such dividend is paid or redemption is made or would be caused thereby.

(l) The Credit Agreement is hereby further amended by deleting Section 7.6 and substituting in lieu thereof the following new Section 7.6:

Section 7.6. Sale of Assets. The Borrower will not, and will not permit any of its Consolidated Subsidiaries to, convey, sell, lease, assign, transfer or otherwise dispose of, any of its assets, business or property, whether now owned or hereafter acquired, or, in the case of any Consolidated Subsidiary, issue or sell any shares of such Consolidated Subsidiary’s common stock to any Person other than the Borrower or any Wholly-Owned Subsidiary of the Borrower (or to qualify directors if required by applicable law), except:

(a) the sale or other disposition for fair market value of obsolete or worn out property or other property not necessary for operations disposed of in the ordinary course of business;

(b) the sale of inventory and Permitted Investments in the ordinary course of business;

(c) the sale of any receivables and related property to one or more Permitted Securitization Subsidiaries so long as such sale is made in connection with a Permitted Securitization Transaction;

(d) transfers made as part of Acquisitions and Investments permitted under Section 7.4 hereof; and

(e) the sale or other disposition of such assets (which may include the capital stock of any Subsidiary of the Borrower or all or substantially all of the assets of any Subsidiary of the Borrower) so long as (i) the aggregate Consolidated EBIT attributable to assets which are disposed of in any fiscal year of the Borrower does not exceed 10% of the Consolidated EBIT for the immediately preceding fiscal year and (ii) the aggregate amount of assets (determined at book value in accordance with GAAP) which are disposed of in any fiscal year of the Borrower do not exceed in the aggregate 10% of the Consolidated Total Assets as of the end of the immediately preceding fiscal year.

(m) The Credit Agreement is hereby further amended by adding the following new Section 7.12 to the end of Article VII:

Section 7.12. Capital Management Subsidiary. The Borrower will not permit its Capital Management Subsidiary to engage in any business other than making Investments (including Permitted Investments) and activities incidental thereto. Unless otherwise permitted by the Administrative Agent, the Capital Management Subsidiary shall not own any material assets other than Investments (including Permitted Investments) and not incur any Indebtedness other than Indebtedness to the Borrower or any of its Subsidiaries or in connection with the making of Permitted Investments. The Administrative Agent shall provide prompt notice to each of the Lenders following any consent given under this Section 7.12.

(n) The Credit Agreement is hereby further amended by deleting Schedule 4.16 and inserting in lieu thereof the new Schedule 4.16 attached hereto.

(o) The Credit Agreement is hereby further amended by deleting Exhibit E and inserting in lieu thereof the new Exhibit E attached hereto.

Section 2. Benefits of Loan Documents.

Each reference to the Credit Agreement in any of the Loan Documents shall be deemed to be a reference to the Credit Agreement as amended by this Amendment, and as the Credit Agreement may from time to time be further amended, supplemented, restated or otherwise modified in the future by one or more other written amendments or supplemental or modification agreements entered into pursuant to the applicable provisions thereof.

Section 3. Conditions to Effectiveness of Amendment. The effectiveness of this Amendment is subject to the condition precedent that each of the following be received by the Administrative Agent (unless otherwise waived in writing by the Administrative Agent), each of which shall be satisfactory in form and substance to the Administrative Agent:

- (a) this Amendment executed by the Borrower, the Administrative Agent and the Required Lenders; and
- (b) such other approvals, opinions or documents as the Administrative Agent may reasonably request.

Section 4. Representations. The Borrower represents to the Lenders that:

(a) The execution, delivery and performance by the Borrower of this Amendment, (i) does not require any consent or approval of, registration or filing with, or any action by, any Governmental Authority, except those as have been obtained or made and are in full force and effect or where the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, (ii) will not violate any applicable law or regulation or any order of any Governmental Authority which could reasonably be expected to have a Material Adverse Effect, (iii) will not violate the charter, by-laws or other organizational documents of the Borrower or any of its Consolidated Subsidiaries, (iv) will not violate or result in a default under any indenture, material agreement or other material instrument binding on the Borrower or any of its Consolidated Subsidiaries or any of its assets or give rise to a right thereunder to require any payment to be made by the Borrower or any of its Consolidated Subsidiaries and (v) will not result in the creation or imposition of any Lien on any asset of the Borrower or any of its Consolidated Subsidiaries, except Liens (if any) created under the Loan Documents.

(b) The execution, delivery and performance by the Borrower of this Amendment is within the Borrower's organizational powers and has been duly authorized by all necessary organizational, and if required, stockholder action. This Amendment has been duly executed and delivered by the Borrower, and constitutes the valid and binding obligation of the Borrower, enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or

similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(c) Immediately after giving effect to this Amendment, no Default or Event of Default exists.

Section 5. Reaffirmation. The Borrower hereby repeats and reaffirms all representations and warranties made by the Borrower in the Credit Agreement (as revised by this Amendment) and the other Loan Documents to which it is a party as of the date hereof with the same force and effect as if such representations and warranties were set forth in this Amendment in full except to the extent such representations expressly relate to an earlier date or have been updated to the extent permitted by the Credit Agreement (as revised by this Amendment).

Section 6. Benefits. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 7. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF GEORGIA.

Section 8. Effect. Except as expressly herein amended, the terms and conditions of the Credit Agreement shall remain in full force and effect. Notwithstanding anything to the contrary in any Loan Document, the Administrative Agent and the Lenders hereby consent to all Investments made by the Borrower and its Consolidated Subsidiaries on or prior to March 31, 2004; provided, however, that, with respect to any of such Investments that remained in existence on March 31, 2004, such consent shall not extend to those Investments required to be disclosed on Schedule 4.16 and not disclosed thereon.

Section 9. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have caused this First Amendment to Revolving Credit Agreement to be executed by their authorized officers all as of the day and year first above written.

CERTEGY INC.

By _____
Name:
Title:

**SUNTRUST BANK
as Administrative Agent, as Issuing Bank, as Swingline
Lender and as a Lender**

By _____
Name: Brian K. Peters
Title: Managing Director

**WACHOVIA BANK, NATIONAL
ASSOCIATION
as Syndication Agent and as a Lender**

By _____
Name:
Title:

**BANK OF AMERICA, N.A.
as Documentation Agent and as a Lender**

By _____
Name:
Title:

**FLEET NATIONAL BANK
as a Lender**

By _____
Name:
Title:

[Signatures Continued on Next Page]

**BNP PARIBAS
as a Lender**

By _____
Name:
Title:

By _____
Name:
Title:

**SUMITOMO MITSUI BANKING
CORPORATION
as a Lender**

By _____
Name:
Title:

**MELLON BANK N.A.
as a Lender**

By _____
Name:
Title:

**CALYON NEW YORK BRANCH
as a Lender**

By _____
Name:
Title:

By _____
Name:
Title:

EXHIBIT E

MASTER INTERCOMPANY NOTE

August __, 2004

FOR VALUE RECEIVED, each of the parties hereto, in its capacity as a borrower (each, in such capacity, an "Intercompany Borrower"), hereby promises to pay to the order of each of the other parties hereto, in its capacity as a lender (each, in such capacity, an "Intercompany Lender"), as applicable, the unpaid principal amount of advances made by the applicable Intercompany Lender to the applicable Intercompany Borrower from time to time as shown on the general ledger of the applicable Intercompany Lender at such time, unless previously paid in full, **ON DEMAND**, and to pay interest on such unpaid principal amount for each day such amount shall remain outstanding at the interest rate agreed to by the applicable Intercompany Borrower and the applicable Intercompany Lender from time to time with such interest payable at such times as may be required the applicable Intercompany Lender.

It is contemplated that the parties to this Master Intercompany Note shall be Certegy Capital, Inc., a Georgia corporation ("Capital"), Certegy Inc., a Georgia corporation ("Certegy"), and certain of Certegy's direct and indirect subsidiaries, as they may exist from time to time. Additional parties may be added to this Master Intercompany Note by the execution and delivery of a Joinder to Master Intercompany Note substantially in the form attached hereto as Exhibit A (or in such other form as may be approved by Capital, in its sole discretion). Any of the parties to this Master Intercompany Note may be removed as parties hereto at any time by the execution and delivery of a Withdrawal from Master Intercompany Note substantially in the form attached hereto as Exhibit B (or in such other form as may be approved by Capital, in its sole discretion); provided, however, that (i) neither Certegy nor Capital may be removed unless all then remaining parties to this Master Intercompany Note are removed and this Master Intercompany Note is cancelled and (ii) unless this Master Intercompany Note is cancelled, no party hereto may be removed from this Master Intercompany Note at any time when either (a) such party remains indebted to another party hereto for money borrowed or (b) such party is owed money by another party hereto for money borrowed (unless in the case of either clause (a) or (b) above, the remaining indebtedness is then separately documented by a promissory note between the relevant parties).

Presentment, demand, protest and notice of dishonor are hereby waived by the parties hereto.

This Master Intercompany Note is one of the Intercompany Notes referred to in that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement") and is made in accordance with the provisions of Section 7.4 thereof.

This Master Intercompany Note may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to all parties hereto.

THIS MASTER INTERCOMPANY NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, each of the parties hereto has executed this Master Intercompany Note as of the date of issuance first above written.

CERTEGY INC.

CERTEGY CAPITAL, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

[ENTITY NAME]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[ENTITY NAME]

By: _____
Name: _____
Title: _____

[ENTITY NAME]

By: _____
Name: _____
Title: _____

EXHIBIT A
TO
MASTER INTERCOMPANY NOTE

FORM OF JOINDER TO MASTER INTERCOMPANY NOTE

JOINDER TO MASTER INTERCOMPANY NOTE

THIS JOINDER TO MASTER INTERCOMPANY NOTE ("Joinder") is made by the undersigned (collectively, the "Additional Party") as of _____, 20___, and supplements that certain Master Intercompany Note dated as of August __, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, and as subject to this and any other joinder thereto or withdrawal therefrom, the "Master Intercompany Note") by and among Certegy Capital, Inc., Certegy Inc. and the other parties thereto as borrowers and lenders.

Reference is made to that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Intercompany Note, and if not defined therein, shall have the meanings ascribed to such terms in the Credit Agreement.

Pursuant to Section 7.4 of the Credit Agreement, the Additional Party is required to enter into the Master Intercompany Note on or prior to the time that certain investments are made between the Additional Party and one or more other parties to the Master Intercompany Note. The Master Intercompany Note provides that additional parties may become parties under the Master Intercompany Note by execution and delivery of an instrument substantially in the form of this Joinder.

In accordance with the Master Intercompany Note, the Additional Party by its signature below becomes a party to the Master Intercompany Note with the same force and effect as if originally named therein as a party thereto and the Additional Party hereby agrees to all the terms thereof. Each reference to an "Intercompany Borrower" or an "Intercompany Lender" in the Master Intercompany Note shall be deemed to include the Additional Party, as applicable, in its appropriate capacity. The Master Intercompany Note is hereby incorporated by reference.

This Joinder may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to Capital. This Joinder shall become effective as of the date first set forth above upon delivery to Capital of a copy of this Joinder that bears the signature of the Additional Party.

Except as expressly supplemented hereby, the Master Intercompany Note shall remain in full force and effect.

THIS JOINDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, the Additional Party has duly executed this Joinder as of the day and year first above written.

[NAME OF ADDITIONAL PARTY]

By: _____

Name:

Title:

[add any further Additional Party signature blocks here]

EXHIBIT B
TO
MASTER INTERCOMPANY NOTE

FORM OF WITHDRAWAL FROM MASTER INTERCOMPANY NOTE

WITHDRAWAL FROM MASTER INTERCOMPANY NOTE

THIS WITHDRAWAL FROM MASTER INTERCOMPANY NOTE ("Withdrawal") is made by the undersigned (collectively, the "Withdrawing Party") as of _____, 20__, and supplements that certain Master Intercompany Note dated as of August __, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, and as subject to this and any other joinder thereto or withdrawal therefrom, the "Master Intercompany Note") by and among Certegy Capital, Inc., Certegy Inc. and the other parties thereto as borrowers and lenders.

Reference is made to that certain Revolving Credit Agreement dated as of September 3, 2003, by and among Certegy, the lenders from time to time a party thereto, Wachovia Bank, N.A., as syndication agent, Bank of America, N.A., as documentation agent, and SunTrust Bank, as administrative agent (as amended or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Intercompany Note, and if not defined therein, shall have the meanings ascribed to such terms in the Credit Agreement.

Pursuant to Section 7.4 of the Credit Agreement, the Withdrawing Party was required to enter into the Master Intercompany Note on or prior to the time that certain investments were to be made between the Withdrawing Party and one or more other parties to the Master Intercompany Note. The Master Intercompany Note provides that existing parties thereto may withdraw therefrom upon the satisfaction of certain conditions and the execution and delivery of an instrument substantially in the form of this Withdrawal.

In accordance with the Master Intercompany Note, the Withdrawing Party by its signature below hereby withdraws from the Master Intercompany Note, effective as of the date recited in Capital's acceptance hereof below.

This Withdrawal may be executed in counterparts and delivered by facsimile transmission with the same effect as if all parties hereto originally executed the same copy hereof and such originally executed copy hereof were delivered to Capital.

Except as against the Withdrawing Party from and after the effectiveness of this Withdrawal, the Master Intercompany Note shall remain in full force and effect.

THIS WITHDRAWAL SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA.

IN WITNESS WHEREOF, the Withdrawing Party has duly executed this Withdrawal as of the day and year first above written.

[NAME OF WITHDRAWING PARTY]

By: _____

Name:

Title:

[add any further Withdrawing Party signature blocks here]

Accepted as of the __ day of _____, 20__, by

CERTEGY CAPITAL, INC.

By: _____

Name:

Title:

CERTEGY INC.
RATIO OF EARNINGS TO FIXED CHARGES
(\$ in thousands, except ratio data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Earnings:				
Income from continuing operations before income taxes ⁽¹⁾	\$44,088	\$40,215	\$ 112,003	\$ 93,766
Add:				
Interest expense	3,259	2,045	9,388	5,354
Other adjustments	1,182	1,120	3,558	3,566
Total earnings	\$48,529	\$43,380	\$ 124,949	\$ 102,686
Fixed charges:				
Interest expense	\$ 3,259	\$ 2,045	\$ 9,388	\$ 5,354
Other adjustments	1,182	1,120	3,558	3,566
Total fixed charges	\$ 4,441	\$ 3,165	\$ 12,946	\$ 8,920
Ratio of earnings to fixed charges	10.93x	13.71x	9.65x	11.51x

⁽¹⁾ Income from continuing operations before income taxes includes minority interests and excludes cumulative effect of a change in accounting principle and discontinued operations.

For the purposes of calculating the ratio of earnings to fixed charges, fixed charges consist of interest on indebtedness, amortization of deferred financing costs, and an estimated amount of rental expense that is deemed to be representative of the interest factor.

CERTIFICATION PURSUANT TO RULE 13A-14(A) OR 15D-14(A) OF THE EXCHANGE ACT

I, Lee A. Kennedy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Certegy Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2004

/s/ LEE A. KENNEDY
Lee A. Kennedy
Chairman and Chief Executive Officer

CERTIFICATION PURSUANT TO RULE 13A-14(A) OR 15D-14(A) OF THE EXCHANGE ACT

I, Michael T. Vollkommer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Certegy Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2004

/s/ MICHAEL T. VOLLKOMMER

Michael T. Vollkommer
Corporate Vice President and Chief
Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned certifies, pursuant to 18 U.S.C. Section 1350 as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Quarterly Report on Form 10-Q of Certegy Inc. (the "Company") for the quarterly period ended September 30, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 8, 2004

/s/ LEE A. KENNEDY

Lee A. Kennedy
Chairman and Chief
Executive Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned certifies, pursuant to 18 U.S.C. Section 1350 as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Quarterly Report on Form 10-Q of Certegy Inc. (the "Company") for the quarterly period ended September 30, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 8, 2004

/s/ MICHAEL T. VOLLKOMMER

Michael T. Vollkommer
Corporate Vice President and Chief
Financial Officer