

FIRST DATA CORP  
Form S-4/A  
September 24, 2003  
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As filed with the Securities and Exchange Commission on September 24, 2003

Registration No. 333-105432

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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## Amendment No. 5

to

## FORM S-4

## REGISTRATION STATEMENT

*UNDER*

*THE SECURITIES ACT OF 1933*

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# First Data Corporation

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**6199**  
(Primary Standard Industrial  
Classification Code Number)

**47-0731996**  
(I.R.S. Employer  
Identification Number)

**6200 South Quebec Street**

**Greenwood Village, Colorado 80111**

**(303) 488-8000**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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**Michael T. Whealy, Esq.**

**Executive Vice President, Chief Administrative**

**Officer and General Counsel**

**First Data Corporation**

**10825 Old Mill Road, M-10**

**Omaha, Nebraska 68154**

**(402) 777-2000**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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*Copies To:*

<b>Thomas A. Rossi, Esq. Joseph C. Mullin, Esq.</b>	<b>Frederick C. Lowinger, Esq.</b>	<b>J. Richard Buchignani, Esq. Concord EFS, Inc.</b>	<b>R. Scott Falk, Esq. Kirkland &amp; Ellis LLP</b>
<b>First Data Corporation</b>	<b>Paul L. Choi, Esq.</b>	<b>5775 Summer Trees Drive</b>	<b>200 East Randolph Drive</b>
<b>10825 Old Mill Road, M-10</b>	<b>Michael A. Gordon, Esq. Sidley Austin Brown &amp; Wood LLP</b>	<b>Memphis, Tennessee 38134</b>	<b>Chicago, Illinois 60601</b>
<b>Omaha, Nebraska 68154</b>	<b>Bank One Plaza</b>	<b>(901) 371-8000</b>	<b>(312) 861-2000</b>
<b>(402) 777-2000</b>	<b>10 South Dearborn Street</b>		
	<b>Chicago, Illinois 60603</b>		
	<b>(312) 853-7000</b>		

**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable after this registration statement becomes effective and after the conditions to the completion of the proposed transaction described in the joint proxy statement/prospectus have been satisfied or waived.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same

offering. " \_\_\_\_\_

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. " \_\_\_\_\_

\_\_\_\_\_

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, pursuant to said Section 8(a), may determine.**

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**The information in this joint proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary joint proxy statement/prospectus is not an offer to sell and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**Preliminary Copy Subject to Completion, dated September 24, 2003**

**MERGER PROPOSAL YOUR VOTE IS IMPORTANT**

On behalf of the boards of directors and managements of both First Data Corporation and Concord EFS, Inc., we are pleased to deliver our joint proxy statement/prospectus for the merger involving First Data and Concord. We believe this merger will create a strong combined company that will deliver important benefits to its shareholders and to its customers, merchants and banks.

If the merger is completed, Concord shareholders will receive 0.40 of a share of First Data common stock for each share of Concord common stock, and cash in lieu of fractional shares. On March 31, 2003, which was the last full trading day prior to the publication of news articles reporting that First Data and Concord were in merger discussions, the closing price of the First Data common stock on the New York Stock Exchange, where it is traded under the symbol FDC, was \$37.01 and the closing price of the Concord common stock on the New York Stock Exchange, where it is traded under the symbol CE, was \$9.40. Based upon this First Data common stock closing price, the value of First Data common stock to be received for each share of Concord common stock in the merger would have been \$14.80. On April 1, 2003, which was the last full trading day prior to the announcement of the merger agreement, the closing price of the First Data common stock and the Concord common stock was \$34.68 and \$11.87, respectively. Based upon this First Data common stock closing price, the value of First Data common stock to be received for each share of Concord common stock in the merger would have been \$13.87. On September 23, 2003, the closing price of the First Data common stock and the Concord common stock was \$43.02 and \$13.70, respectively. Based upon this First Data common stock closing price, the value of First Data common stock to be received for each share of Concord common stock in the merger would have been \$17.21. Under the merger agreement, the exchange ratio is fixed at 0.40 and will not be changed to reflect fluctuations in the market price of the common stock of either company. First Data shareholders will continue to own their existing First Data shares.

A holder of Concord common stock generally will not recognize any gain or loss for federal income tax purposes upon the exchange of the holder's shares of Concord common stock for shares of First Data common stock pursuant to the merger. For a more detailed discussion of the federal income tax consequences of the merger, see **Material Federal Income Tax Consequences of the Merger** beginning on page 60 of this joint proxy statement/prospectus.

In addition, the section entitled **Risk Factors** on pages 19 through 23 of this joint proxy statement/prospectus contains a description of the risks that you should consider in evaluating the merger.

We are asking the First Data shareholders to approve the issuance of shares of First Data common stock as contemplated by the merger agreement. **The First Data board of directors unanimously recommends that First Data shareholders vote FOR this proposal.**

We are asking the Concord shareholders to adopt the merger agreement and, by doing so, approve the proposed merger. **The Concord board of directors unanimously recommends that Concord shareholders vote FOR this proposal.**

We cannot complete the merger unless the Concord shareholders adopt the merger agreement and the First Data shareholders approve the issuance of shares of First Data common stock as contemplated by the merger agreement. We encourage you to read this joint proxy statement/prospectus, which includes important information about the merger. **Your vote is important.**

**CHARLES T. FOTE**

*President, Chief Executive Officer  
and Chairman of the Board  
First Data Corporation*

**BOND R. ISAACSON**

*Co-Chief Executive Officer  
Concord EFS, Inc.*

**DAN M. PALMER**

*Co-Chief Executive Officer  
Concord EFS, Inc.*

**Neither the SEC nor any state securities commission has approved or disapproved the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated September [•], 2003 and is first being mailed to the First Data and Concord shareholders on or about September [•], 2003.

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**REFERENCES TO ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates important business and financial information about First Data and Concord from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain those documents incorporated by reference in this joint proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

<b>First Data Corporation</b>	<b>Concord EFS, Inc.</b>
Investor Relations Department	Investor Relations
6200 South Quebec Street	1100 Carr Road
Greenwood Village, CO 80111	Wilmington, DE 19809
(303) 967-6756	(302) 791-8111

*If you would like to request documents, please do so by October 21, 2003, in order to receive them before your special meeting.*

See Where You Can Find More Information.

**VOTING BY MAIL OR BY TELEPHONE**

First Data shareholders of record may submit their proxies:

By mail, by signing and dating each proxy card you receive, indicating your voting preference on the proposal and returning each proxy card in the prepaid envelope which accompanied that proxy card; or

By telephone, by calling the toll-free number 1-800-240-6326 in the United States, Canada or Puerto Rico on a touch-tone phone and following the recorded instructions.

Concord shareholders of record may submit their proxies:

By mail, by signing and dating each proxy card you receive, indicating your voting preference on the proposal and returning each proxy card in the prepaid envelope which accompanied that proxy card; or

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By telephone, by calling the toll-free number 1-877-779-8683 in the United States, Canada or Puerto Rico on a touch-tone phone and following the recorded instructions.

If you are a beneficial owner, please refer to your proxy card or the information forwarded by your bank, broker or other holder of record to see which options are available to you.

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS  
OF FIRST DATA CORPORATION**

NOTICE IS HEREBY GIVEN that First Data Corporation will hold a special meeting of its shareholders on October 28, 2003, at 10:00 a.m. (M.T.), at the Inverness Hotel, 200 Inverness Drive West, Englewood, Colorado 80112 for the following purposes:

1. To consider and vote on a proposal to approve the issuance of shares of First Data common stock as contemplated by an Agreement and Plan of Merger, dated as of April 1, 2003, among First Data, Monaco Subsidiary Corporation, a wholly owned subsidiary of First Data, and Concord EFS, Inc. A copy of the merger agreement is attached as *Annex A* to the joint proxy statement/prospectus accompanying this notice; and
2. To transact such other business as may properly come before the special meeting and any adjournment or postponement of the special meeting.

Shareholders of record at the close of business on September 8, 2003 will be entitled to vote at the meeting and any adjournment or postponement of the special meeting. As of the record date, there were 728,845,452 shares of First Data common stock outstanding (excluding treasury stock). Each share of common stock is entitled to one vote on each matter properly brought before the meeting. If you wish to vote your shares at the meeting, the inspector of elections will be available to record your vote at the meeting site beginning at 9:30 a.m. (M.T.) on the date of the meeting. Voting is expected to close at the commencement of the meeting.

You are cordially invited to attend the meeting, but whether or not you expect to attend in person, you are urged to mark, date and sign the enclosed proxy and return it in the enclosed prepaid envelope or follow the alternative voting procedures described on the proxy and in the accompanying joint proxy statement/prospectus.

**Your board of directors unanimously recommends that you vote to approve the issuance of shares of First Data common stock as contemplated by the merger agreement, which is described in detail in the accompanying joint proxy statement/prospectus.**

By Order of the Board of Directors

Michael T. Whealy

Corporate Secretary

September [•], 2003



First Data Corporation

6200 South Quebec Street

Greenwood Village, CO 80111

**YOUR VOTE IS IMPORTANT**

**PLEASE PROMPTLY MARK, DATE, SIGN AND RETURN YOUR PROXY OR FOLLOW THE TELEPHONE VOTING PROCEDURES DESCRIBED ON THE PROXY SO THAT YOUR SHARES MAY BE VOTED IN ACCORDANCE WITH YOUR WISHES AND SO THAT THE PRESENCE OF A QUORUM MAY BE ASSURED. YOUR PROMPT ACTION WILL AID FIRST DATA CORPORATION IN REDUCING THE EXPENSE OF PROXY SOLICITATION.**

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

TO THE SHAREHOLDERS OF CONCORD EFS, INC.:

NOTICE IS HEREBY GIVEN that Concord EFS, Inc. will hold a special meeting of its shareholders at Colonial Country Club, 2736 Countrywood Parkway, Memphis, Tennessee 38018 on October 28, 2003, beginning at 10:00 a.m. local time. The purpose of the Concord special meeting is to consider and to vote upon the following matters:

1. A proposal to adopt the Agreement and Plan of Merger, dated as of April 1, 2003, among First Data Corporation, Monaco Subsidiary Corporation, a wholly owned subsidiary of First Data, and Concord EFS, Inc. A copy of the merger agreement is included as *Annex A* to the accompanying joint proxy/prospectus; and
2. To transact such other business as may properly come before the special meeting and any adjournment or postponement of the special meeting.

In the merger, each share of Concord common stock will be converted into 0.40 of a share of First Data common stock.

Holders of record of Concord common stock at the close of business on September 8, 2003 are entitled to receive this notice and to vote at the special meeting and any adjournment or postponement of that meeting. As of the record date, there were 465,048,811 shares of Concord common stock outstanding (excluding treasury stock). Each share of common stock is entitled to one vote on each matter properly brought before the meeting.

If your Concord shares are not registered in your own name and you would like to attend the special meeting, please bring evidence of your Concord share ownership on the record date with you to the meeting, such as an account statement from your bank, broker or other record holder.

Whether or not you plan to attend the meeting in person, please vote your shares promptly via telephone or by marking, signing, dating and returning the proxy card promptly in the enclosed prepaid envelope. Instructions regarding both methods of voting are contained on the proxy card.

**Your board of directors unanimously recommends that you vote to adopt the merger agreement. Your attention is directed to the joint proxy statement/prospectus accompanying this notice for a discussion of the merger and the merger agreement.**

By Order of the Board of Directors,

J. Richard Buchignani

*Secretary*

September [•], 2003

**YOUR VOTE IS IMPORTANT**

**PLEASE PROMPTLY MARK, DATE, SIGN AND RETURN YOUR PROXY OR FOLLOW THE TELEPHONE VOTING PROCEDURES DESCRIBED ON THE PROXY SO THAT YOUR SHARES MAY BE VOTED IN ACCORDANCE WITH YOUR WISHES AND SO THAT THE PRESENCE OF A QUORUM MAY BE ASSURED. YOUR PROMPT ACTION WILL AID CONCORD EFS, INC. IN REDUCING THE EXPENSE OF PROXY SOLICITATION.**

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**CHAPTER ONE**

**THE MERGER**

**QUESTIONS AND ANSWERS ABOUT THE MERGER**

**Q: What do I need to do now?**

A: After you carefully read this document, mail your signed proxy card in the enclosed return envelope, or submit your proxy by telephone, as soon as possible, so that your shares may be represented at your meeting. In order to assure that your vote is recorded, please vote your proxy as instructed on your proxy card even if you currently plan to attend your meeting in person.

**Q: Why is my vote important?**

A: First Data shareholders are being asked to approve the issuance of shares of First Data common stock as contemplated by the merger agreement. Concord shareholders are being asked to adopt the merger agreement and, by doing so, approve the proposed merger. If you do not return your proxy card or submit your proxy by telephone or vote in person at your special meeting, it will be more difficult for First Data and Concord to obtain the necessary quorum to hold their special meetings. In addition, if you are a First Data shareholder, your failure to vote will have the effect of reducing the number of affirmative votes required to approve the issuance of shares of First Data common stock as contemplated by the merger agreement. If you are a Concord shareholder, your failure to vote will have the same effect as a vote against the adoption of the merger agreement.

**Q: May I vote in person?**

A: Yes. If you are a shareholder of record as of September 8, 2003, you may attend your special meeting and vote your shares in person, instead of returning your signed proxy card or submitting your proxy by telephone.

**Q: If my shares are held in street name by my broker, will my broker vote my shares for me?**

A: No. If your shares are held in street name by your broker and you do not provide your broker with instructions on how to vote your street name shares, your broker will not be permitted to vote them on either the adoption of the merger agreement by Concord shareholders or approval of the issuance of shares of First Data common stock as contemplated by the merger agreement. You should therefore be sure to provide your broker with instructions on how to vote your shares. Please check the voting form used by your broker to see if it offers telephone or Internet submission of proxies.

**Q: What if I fail to instruct my broker?**

A: If you fail to instruct your broker to vote your shares and the broker submits an unvoted proxy, the resulting broker non-vote will be counted toward a quorum at the respective special meeting and it will have the consequences discussed above under **Why is my vote important?**

**Q: What does it mean if I receive more than one set of materials?**

A: This means you own shares of First Data or Concord that are registered under different names. For example, you may own some shares directly as a shareholder of record and other shares through a broker or you may own shares through more than one broker. In these situations you will receive multiple sets of proxy materials. It is necessary for you to vote, sign and return all of the proxy cards or follow the instructions for any alternative voting procedure on each of the proxy cards you receive in order to vote all of the shares you own. Each proxy card you received came with its own prepaid return envelope; if you vote by mail, make sure you return each proxy card in the return envelope which accompanied that proxy card.

**Q: Can I revoke my proxy and change my vote?**

A: Yes. You have the right to revoke your proxy at any time prior to the time your shares are voted at your special meeting. If you are a shareholder of record, your proxy can be revoked in several ways: (i) by timely



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delivery of a written revocation to your company's secretary, (ii) by submitting another valid proxy bearing a later date, or (iii) by attending your special meeting and voting your shares in person. However, if your shares are held in the name of your bank, broker, custodian or other recordholder, you must check with your bank, broker, custodian or other recordholder to determine how to revoke your proxy.

**Q: When and where are the special meetings?**

A: The First Data special meeting will take place on October 28, 2003 at 10:00 a.m. local time, at the Inverness Hotel, 200 Inverness Drive West, Englewood, Colorado 80112. The Concord special meeting will take place on October 28, 2003 at 10:00 a.m. local time, at Colonial Country Club, 2736 Countrywood Parkway, Memphis, Tennessee 38018.

**Q: Should I send in my stock certificates now?**

A: No. After the merger is completed, First Data will send Concord shareholders written instructions for exchanging their Concord stock certificates for First Data stock. First Data shareholders will keep their existing stock certificates.

**Q: When do you expect the merger to be completed?**

A: We are working to complete the merger during the fourth quarter of 2003. However, it is possible that factors outside of our control could require us to complete the merger at a later time or not complete it at all. We hope to complete the merger as soon as reasonably practicable.

**Q: Will First Data shareholders receive any shares as a result of the merger?**

A: No. First Data shareholders will continue to hold the First Data shares they currently own.

**Q: Who can answer any questions I may have about the special meetings or the merger?**

A: First Data shareholders may call Morrow & Co., Inc. at 1-800-607-0088.

Concord shareholders may call Georgeson Shareholder Communications, Inc. at 1-800-818-8320.

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**SUMMARY**

*This summary highlights selected information from this joint proxy statement/prospectus and may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger agreement, you should carefully read this entire document and the documents to which we refer you. A copy of the merger agreement is attached as Annex A to this document and is incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information*.*

**The Companies Involved in the Proposed Merger (see page 65)**

First Data Corporation

6200 South Quebec Street

Greenwood Village, Colorado 80111

(303) 967-8000

Internet address: [www.firstdata.com](http://www.firstdata.com)

First Data Corporation, with headquarters in Denver, helps power the global economy. In the electronic commerce and payment services businesses, First Data serves approximately 3 million merchant locations, 1,400 card issuers and millions of consumers, making it easy, fast and secure for people and businesses to buy goods and services using virtually any form of payment. With 29,000 employees worldwide, First Data provides the following services throughout the United States:

credit, debit, smart card and stored-value card issuing and merchant transaction processing services;

Internet commerce solutions;

money transfer services;

money orders; and

check processing and verification services.

First Data also offers a variety of payment services in the United Kingdom, Australia, Canada, Japan, Mexico, Spain, the Netherlands, the Middle East and Germany. First Data's Western Union and Orlandi Valuta money transfer networks include a total of approximately 165,000 agent locations in more than 195 countries and territories. Shares of First Data common stock are traded on the New York Stock Exchange under the symbol *FDC*.

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Concord EFS, Inc.

2525 Horizon Lake Drive, Suite 120

Memphis, Tennessee 38133

(901) 371-8000

Internet address: [www.concordefs.com](http://www.concordefs.com)

Concord EFS, Inc., an electronic transaction processor, provides the technology and network systems that make payments and other financial transactions faster, more efficient and more secure than paper-based alternatives. Concord's primary activities include:

Network Services, which provides automated teller machine (referred to as an ATM in this joint proxy statement/prospectus) processing, debit card processing, deposit risk management and STAR<sub>sm</sub> network access principally for financial institutions; and

Payment Services, which provides point of sale processing, settlement and related services, with specialized systems focusing on supermarkets, major retailers, gas stations, convenience stores, restaurants and trucking companies.

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Concord's new Risk Management Services group, which combines products that are currently part of its Network Services and Payment Services reporting segments, provides software, information and analysis to financial institutions, retailers, government service providers and other businesses to assist in fraud prevention and reduction. Shares of Concord common stock are traded on the New York Stock Exchange under the symbol CE.

### **Concord Shareholders Will Receive 0.40 of a Share of First Data Common Stock for Each Share of Concord Common Stock They Hold (see page 73)**

Concord shareholders will receive 0.40 of a share of First Data common stock for each share of Concord common stock they hold. First Data will not issue fractional shares pursuant to the merger. As a result, the total number of shares of First Data common stock that each Concord shareholder will receive pursuant to the merger will be rounded down to the nearest whole number, and each Concord shareholder will receive a cash payment for the remaining fraction of a share of First Data common stock that he or she would otherwise receive, if any, based on the market value of First Data common stock at the close of business on the closing date of the merger.

*Example: If you currently own 137 shares of Concord common stock, you will be entitled to receive 54 shares of First Data common stock and a check for the market value of 0.80 shares of First Data common stock at the close of business on the closing date of the merger.*

### **Concord Shareholders Will Not Recognize Any Gain or Loss for Federal Income Tax Purposes Upon the Exchange of Their Shares, Except that Gain or Loss Will be Recognized on the Receipt of Cash in Lieu of a Fractional Share of First Data Common Stock (see page 60)**

Each of Sidley Austin Brown & Wood LLP, legal counsel to First Data, and Kirkland & Ellis LLP, legal counsel to Concord, has delivered its opinion which provides that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that each of First Data, Concord and Monaco Subsidiary Corporation (the wholly owned subsidiary of First Data that will merge with and into Concord) will be a party to the reorganization within the meaning of Section 368(a) of the Internal Revenue Code. It is the opinion of each of Sidley Austin Brown & Wood LLP and Kirkland & Ellis LLP that a holder of Concord common stock will not recognize any gain or loss for federal income tax purposes upon the exchange of the holder's shares of Concord common stock for shares of First Data common stock pursuant to the merger, except that gain or loss will be recognized on the receipt of cash in lieu of a fractional share of First Data common stock. The foregoing opinions are based, in part, on customary factual assumptions and written factual representations.

You should carefully read the discussion under the heading "Material Federal Income Tax Consequences of the Merger" beginning on page 60. The federal income tax consequences described above may not apply to some holders of Concord common stock, including some types of holders specifically referred to on page 60.

### **First Data Expects to Continue its Historical Policy of Paying Quarterly Dividends After Completion of the Merger**

The holders of First Data common stock receive dividends if and when declared by the First Data board of directors out of legally available funds. First Data increased its dividend from \$0.01 to \$0.02 per share on a quarterly basis to stockholders during the second quarter of 2002. After completion of the merger, First Data expects to continue paying quarterly cash dividends on a basis consistent with First Data's past practice. The timing and amount of future dividends will be:

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dependent upon First Data's results of operations, financial condition, cash requirements and other relevant factors;

subject to the discretion of the First Data board of directors; and

payable only out of First Data's surplus or current net profits in accordance with the General Corporation Law of the State of Delaware.

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First Data can give Concord shareholders no assurance that First Data will continue to pay dividends on its common stock in the future.

**Recent Closing Prices of First Data Common Stock and Concord Common Stock**

The following table includes the closing sale prices per share of First Data common stock and Concord common stock as reported on the NYSE Composite Transaction Tape on:

March 7, 2003, the last full trading day prior to an article issued by *Bloomberg News* reporting rumors that Concord put itself up for sale for as much as \$6 billion;

March 31, 2003, the last full trading day prior to the date on which *The Wall Street Journal* and *The New York Times* each published articles reporting that First Data and Concord were in discussions regarding a possible merger;

April 1, 2003, the last full trading day prior to the announcement of the merger agreement; and

September 23, 2003, the most recent practicable date prior to the mailing of this joint proxy statement/prospectus to First Data's and Concord's shareholders.

This table also includes the equivalent price per share of Concord common stock on those dates. The equivalent price per share is equal to the closing price of a share of First Data common stock on that date multiplied by 0.40, the applicable exchange ratio in the merger. These prices will fluctuate prior to the special meetings and the merger, and shareholders are urged to obtain current market quotations prior to making any decision with respect to the merger.

	<b>First Data Common Stock</b>	<b>Concord Common Stock</b>	<b>Concord Common Stock per Share Equivalent</b>
March 7, 2003	\$ 33.83	\$ 10.35	\$ 13.53
March 31, 2003	\$ 37.01	\$ 9.40	\$ 14.80
April 1, 2003	\$ 34.68	\$ 11.87	\$ 13.87
September 23, 2003	\$ 43.02	\$ 13.70	\$ 17.21

**Dissenters Will Not Have Any Appraisal Rights (see page 64)**

Neither the holders of Concord common stock nor the holders of First Data common stock will have any right to an appraisal of the value of their shares in connection with the merger.

**First Data's Financial Advisors Delivered Opinions to the First Data Board of Directors that, as of April 1, 2003, the Exchange Ratio of 0.40 was Fair, From a Financial Point of View, to First Data (see page 37)**

Each of Merrill Lynch & Co. and J.P. Morgan Securities Inc. delivered its opinion to the First Data board of directors that, as of April 1, 2003 and based upon and subject to the assumptions, qualifications and limitations discussed in such opinion, the exchange ratio in the proposed merger was fair, from a financial point of view, to First Data. The full text of the opinions of Merrill Lynch and JPMorgan, each dated April 1, 2003, which discuss, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations of the review undertaken in connection with each opinion, are attached to this joint proxy statement/prospectus as *Annex B* and *Annex C*, respectively. First Data shareholders are urged to read these opinions in their entirety. Based on these opinions and a number of other factors described in *The Proposed Merger - First Data's Reasons for the Merger*, the First Data board of directors believes that the terms of the merger, including the exchange ratio of 0.40, are advisable to First Data and unanimously recommends to First Data's shareholders that they approve the issuance of shares of First Data common stock as contemplated by the merger agreement.

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As is customary in large public transactions and in order to undertake a deliberate and careful examination of the transaction, the First Data board of directors retained the services of each of Merrill Lynch and JPMorgan, two internationally recognized investment banking and advisory firms with substantial experience in transactions similar to the proposed merger, to render opinions as to the fairness to First Data, from a financial point of view, of the exchange ratio.

Pursuant to its letter agreement with Merrill Lynch dated February 14, 2003, First Data agreed to pay Merrill Lynch a fee of \$100,000 on the date of the letter, a fee of \$4,000,000 upon execution of the merger agreement and a fee of \$10,900,000 upon the completion of the proposed merger. First Data has agreed with Merrill Lynch that a portion of any fees, commissions and discounts that Merrill Lynch or its affiliates receive in connection with First Data's \$1 billion July 2003 high-grade debt offering or First Data's offering of other debt securities prior to the completion of the proposed merger will be deducted from amounts otherwise paid or payable to Merrill Lynch or its affiliates pursuant to the letter agreement. Pursuant to its letter agreement with JPMorgan dated March 5, 2003 (as amended on April 1, 2003), First Data agreed to pay JPMorgan a fee of \$1,200,000 upon public announcement of the proposed merger and a fee of \$2,300,000 upon the completion of the proposed merger.

**Each of the Merrill Lynch and JPMorgan opinions is addressed to the First Data board of directors and is directed to the fairness, from a financial point of view, of the exchange ratio in the proposed merger. Neither the Merrill Lynch opinion nor the JPMorgan opinion constitutes a recommendation to any First Data shareholder as to how any such shareholder should vote with respect to the proposed merger or any other matter.**

**Concord's Financial Advisors Delivered Opinions to the Concord Board of Directors that, as of April 1, 2003, the Exchange Ratio of 0.40 was Fair, From a Financial Point of View, to Concord Shareholders (see page 45)**

Each of Goldman, Sachs & Co. and William Blair & Company, L.L.C. delivered its opinion to the Concord board of directors that, as of April 1, 2003 and based upon and subject to the assumptions, qualifications and limitations discussed in such opinion, the exchange ratio in the proposed merger was fair, from a financial point of view, to the holders of Concord common stock. The full text of the written opinions of Goldman Sachs and William Blair, each dated April 1, 2003, which discuss, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations of the review undertaken in connection with each opinion, are attached to this joint proxy statement/prospectus as *Annex D* and *Annex E*, respectively. Concord shareholders should read these opinions in their entirety. Based on these opinions and a number of other factors described in *The Proposed Merger - Concord's Reasons for the Merger*, the Concord board of directors believes that the terms of the merger, including the exchange ratio of 0.40, are advisable to Concord and its shareholders and unanimously recommends to Concord's shareholders that they adopt the merger agreement and, by doing so, approve the merger.

Due to the size and significance of the merger, the Concord board of directors believed that it was appropriate to retain the services of two financial advisors. The non-executive chairman of the Concord board of directors is a principal of William Blair. The disinterested directors of Concord believed it to be in the best interests of Concord shareholders to engage William Blair as a financial advisor based on William Blair's qualifications and expertise, reputation, knowledge of Concord's business and long record of providing sound financial advice to Concord. The Concord board of directors believed that it was advisable to engage Goldman Sachs as a financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the merger and has no direct or indirect interest in Concord.

Under the terms of separate letter agreements, dated February 21, 2003, in the case of Goldman Sachs, and February 20, 2003, in the case of William Blair, Concord agreed to pay Goldman Sachs a fee of \$10,000,000 and





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William Blair a fee of \$9,500,000 upon completion of the proposed merger. In addition, under the terms of the letter agreements, Concord paid Goldman Sachs a fee of \$2,000,000 and William Blair a fee of \$1,500,000, in each case, upon delivery of its opinion as to the fairness, from a financial point of view, of the exchange ratio.

**Each of the Goldman Sachs and William Blair opinions is addressed to the Concord board of directors and is directed to the fairness, from a financial point of view, of the exchange ratio in the proposed merger. Neither the Goldman Sachs opinion nor the William Blair opinion constitutes a recommendation to any Concord shareholder as to how any such shareholder should vote with respect to the proposed merger or any other matter.**

**The Merger and the Future Performance of First Data After the Completion of the Merger are Subject to a Number of Risks (see page 19)**

There are a number of risks related to the merger, including the following:

the value of First Data shares to be received by Concord shareholders will fluctuate;

First Data may be unable to successfully integrate the operations of First Data and Concord and realize the publicly announced potential cost synergies of \$230 million on an annualized basis by 2005;

First Data may incur significant transaction, merger-related and restructuring costs in connection with the merger, including an estimated \$80 million of transaction costs;

charges to earnings resulting from the application of the purchase method of accounting may adversely affect the market value of First Data's common stock following the merger; and

First Data and Concord may be unable to obtain the regulatory approvals required to complete the merger or, in order to do so, the combined company may be required to comply with material restrictions or conditions.

Furthermore, there are a number of risks relating to the businesses of First Data, Concord and the combined company, including the following:

the business of the combined company will be subject to risks currently affecting the businesses of First Data and Concord, such as the potential loss of certain significant customers in Concord's Network Services segment due to a possible failure to renew certain customer contracts which by their terms terminate on December 31, 2004, increasing competition in the combined company's line of business and continued consolidation in the banking and retail industries;

current or future card association rules and practices could adversely affect the business, transaction volumes, operating results and financial condition of the combined company;

the outcome of litigation involving VISA and MasterCard could have a negative impact on the business of the combined company;

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changes in card association fees or products could increase the costs or otherwise limit the operations of the combined company; and

First Data and Concord are the subject of various legal proceedings.

For a more complete discussion of these and other risk factors please see [Risk Factors](#) and the documents that we have filed with the Securities and Exchange Commission and which we have incorporated into this document.

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**Due to Variances Between the Certificates of Incorporation, By-laws and Other Corporate Documents of First Data and Concord, Differences Exist Between the Rights of First Data Shareholders and Concord Shareholders (see page 103)**

The rights of shareholders of both companies are governed by Delaware law. However, there are differences in the rights of First Data shareholders and Concord shareholders as a result of the provisions of the certificate of incorporation, by-laws and other corporate documents of each company. See *Certain Legal Information* *Comparison of First Data/Concord Shareholder Rights*.

**Recommendations to First Data and Concord Shareholders (see pages 34 and 36)**

*To First Data Shareholders:*

The First Data board of directors believes the merger is advisable and unanimously recommends that you vote **FOR** the proposal to issue shares of First Data common stock as contemplated by the merger agreement.

*To Concord Shareholders:*

The Concord board of directors believes the merger is advisable and unanimously recommends that you vote **FOR** the proposal to adopt the merger agreement and, by doing so, approve the proposed merger.

**Both First Data and Concord Shareholder Approvals Will Be Required to Complete the Merger (see page 99)**

*For First Data Shareholders:*

Approval of the proposal to issue shares of First Data common stock as contemplated by the merger agreement requires the affirmative vote of at least a majority of the votes cast by the holders of First Data common stock as long as a quorum, which is a majority of the shares outstanding, is present in person or by proxy. Approval of the proposal to issue shares of First Data common stock as contemplated by the merger agreement is a condition to the completion of the merger.

On September 8, 2003, which is the record date for determining those First Data shareholders who are entitled to vote at the First Data special meeting, directors and executive officers of First Data and their affiliates beneficially owned and had the right to vote 403,982 shares of First Data common stock, representing less than one percent of the shares of First Data common stock outstanding on the record date. Although none of the members of the board of directors of First Data or its executive officers have executed voting agreements, based solely on discussions with its board of directors and executive officers, to First Data's knowledge, directors and executive officers of First Data and their affiliates intend to vote their common stock in favor of the proposal to issue shares of First Data common stock as contemplated by the merger agreement.

*For Concord Shareholders:*

Adoption of the merger agreement requires the affirmative vote of at least a majority of the votes represented by the outstanding shares of Concord common stock. On September 8, 2003, which is the record date for determining those Concord shareholders who are entitled to vote at the Concord special meeting, directors and executive officers of Concord and their affiliates beneficially owned and had the right to vote 8,889,341 shares of Concord common stock, or approximately 1.9% of the outstanding shares of Concord common stock outstanding and entitled to vote at the special meeting. Although none of the members of the board of directors of Concord or its executive officers have executed voting agreements, based solely on discussions with its board of directors and executive officers, to Concord's knowledge, directors and executive officers of Concord and their affiliates intend to vote their common stock in favor of the adoption of the merger agreement.

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### **Upon the Completion of the Merger, Concord Will Become a Wholly Owned Subsidiary of First Data (see page 73)**

Under the terms of the proposed merger, a wholly owned subsidiary of First Data, formed for the purpose of the merger, will merge with and into Concord. As a result, Concord will survive the merger and will become a wholly owned subsidiary of First Data upon completion of the merger.

The merger agreement is attached as *Annex A* to this joint proxy statement/prospectus. We encourage you to read the merger agreement carefully and fully, as it is the legal document that governs the merger.

### **Concord Shareholders Will Hold Approximately 21% of the First Data Shares**

First Data will issue up to approximately 211 million shares of First Data common stock to Concord shareholders as contemplated by the merger agreement, which includes approximately 23 million shares of First Data common stock issuable pursuant to Concord stock options to be assumed by First Data and converted into options to purchase shares of First Data common stock. Immediately following completion of the merger, it is expected that there will be approximately 917 million shares of First Data common stock issued and outstanding. The shares of First Data common stock to be issued to Concord shareholders as contemplated by the merger agreement will represent approximately 21% of the outstanding First Data common stock after the merger on a fully diluted basis. This information is based on the number of First Data and Concord shares and options outstanding on September 8, 2003.

### **A Number of Conditions Must Be Satisfied or Waived to Complete the Merger (see page 82)**

The completion of the merger depends upon the satisfaction or waiver of a number of conditions, including the following:

adoption of the merger agreement by the Concord shareholders and approval by the First Data shareholders of the issuance of shares of First Data common stock as contemplated by the merger agreement;

expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended;

absence of any law, judgment, injunction or other order by a governmental entity prohibiting the completion of the merger;

all consents, registrations, approvals, permits and authorizations having been obtained, except for those that would not have a material adverse effect on Concord or the combined company if they have not been obtained;

receipt of opinions of counsel to First Data and Concord that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code;

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authorization for listing by the NYSE of the shares of First Data common stock issuable pursuant to the merger agreement, subject to official notice of issuance;

absence of breaches of the representations and warranties in the merger agreement which result in a material adverse effect on the representing party;

reasonable satisfaction of First Data that neither it nor any of its subsidiaries will become a bank holding company or financial holding company under the Bank Holding Company Act of 1956, as amended, on an ongoing basis as a result of the merger; and

material compliance by the parties with their respective obligations under the merger agreement.

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### **How the Merger Agreement May Be Terminated by First Data and Concord (see page 83)**

First Data and Concord may mutually agree to terminate the merger agreement and abandon the merger at any time prior to completion of the merger, whether before or after the Concord shareholders have adopted the merger agreement and the First Data shareholders have approved the issuance of shares of First Data common stock as contemplated by the merger agreement.

In addition, either party could decide, without the consent of the other, to terminate the merger agreement in a number of situations, including:

if the merger is not completed by October 31, 2003 (which date is automatically extended to January 31, 2004 if the conditions to closing relating to antitrust or other governmental approvals of the merger have not been satisfied, but all other conditions to closing are satisfied or are capable of being satisfied by October 31, 2003);

if a court or other governmental entity issues an order, decree or ruling or takes any other action permanently prohibiting the completion of the merger and the order, decree or ruling or other action has become final and nonappealable;

if the required approval of the First Data or Concord shareholders is not obtained at the respective shareholder meetings;

if the board of directors of the other party withdraws or adversely modifies its recommendation of the merger; or

if the other party breaches its representations, warranties or covenants in the merger agreement, which breach results in a failure of one of the conditions to the completion of the merger being satisfied.

The merger agreement may also be terminated by Concord prior to the completion of the merger if:

the Concord board of directors authorizes Concord, subject to complying with the terms of the merger agreement, to enter into a definitive agreement with a third party concerning a transaction that constitutes a *superior proposal* (see The Merger Agreement Covenants - No Solicitation for a discussion of this term) and Concord notifies First Data in writing that it intends to enter into the agreement;

First Data does not make, within three business days of receipt of Concord's written notification of its intention to enter into a definitive agreement for a superior proposal, an offer that the Concord board of directors determines, in good faith after consultation with its financial advisors, is at least as favorable, in the aggregate, to Concord's shareholders as the superior proposal; and

prior to or concurrently with the termination of the merger agreement, Concord pays to First Data a termination fee of \$210 million.

### **Termination Fees and Expenses May Be Payable in Some Circumstances (see page 85)**



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Generally, if the merger agreement is terminated by either party in certain circumstances where the Concord board of directors has withdrawn or modified its recommendation of the merger with First Data in favor of a competing takeover proposal or in certain circumstances involving the acquisition of Concord by another person, Concord will be required to pay First Data a termination fee of \$210 million. If the merger agreement is terminated by either party due to the entry of a government order prohibiting the merger on antitrust grounds or because the merger has not been completed by January 31, 2004 as a result of the failure to obtain necessary antitrust approvals, First Data will be required to pay Concord a termination fee of \$25 million.

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**Antitrust and Bank Regulatory Approvals Will Be Required for the Completion of the Merger (see page 62)**

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the merger cannot be completed until First Data and Concord have made required notifications and given certain information and materials to the Federal Trade Commission and the Antitrust Division of the United States Department of Justice and until specified waiting period requirements have expired. First Data and Concord filed the required notification and report forms with the Federal Trade Commission and the Antitrust Division on April 10, 2003. On May 9, 2003, First Data withdrew its original filing, and on May 13, 2003, First Data re-filed the required notification and report forms with the Federal Trade Commission and the Antitrust Division, initiating a new 30-day review period. The withdrawal of First Data's original filing terminated the running of the initial 30-day review period, which would have otherwise expired on May 12, 2003, absent the issuance of a request for additional information by the Antitrust Division. The re-filing was a procedural measure which allowed First Data to continue its informal discussions with the Antitrust Division for an additional 30 days without requiring the Antitrust Division to issue a formal statutory request for additional information.

On June 12, 2003, each of First Data and Concord received a request for additional information from the Antitrust Division in connection with the merger. This request effectively extended the waiting period for the merger under the Hart-Scott-Rodino Act until 30 days after both parties substantially comply with the request for additional information. First Data and Concord each certified substantial compliance with the request for additional information on September 5, 2003. Under the Hart-Scott-Rodino Act, the Antitrust Division has the right to challenge such certification.

First Data and Concord may not complete the merger unless the conditions to completion of the merger described above are satisfied. First Data and Concord have each agreed to use their reasonable best efforts to obtain clearance for the completion of the merger and to use their reasonable best efforts to contest any order prohibiting, preventing or delaying the merger until the order becomes permanent and nonappealable. First Data and Concord also must obtain approvals from federal and state banking authorities for transactions related to the transfer of the assets and liabilities of Concord EFS National Bank and the termination of its national bank charter so that First Data does not become a bank holding company. On August 21, 2003, the Division of Banking of the Colorado Department of Regulatory Agencies approved, subject to certain customary conditions, the applications of First Financial Bank, Concord and Concord EFS National Bank to complete such transactions. Certain of these transactions remain subject to the approval of federal banking regulators. First Data and Concord cannot be certain when they will obtain approvals from these regulators or that they will obtain them at all.

The Payment System Working Group, a sub-group of the National Association of Attorneys General (an association of state attorneys general), has requested that First Data and Concord provide it with copies of the information that First Data and Concord have supplied to the Antitrust Division. First Data and Concord have complied with this request. In addition, each of First Data and Concord has provided the Payment System Working Group with copies of the information provided to the Antitrust Division in connection with the request for additional information.

**First Data Common Stock Will Be Listed on the NYSE (see page 64)**

The shares of First Data common stock to be issued pursuant to the merger will be listed on the New York Stock Exchange under the symbol FDC.

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### **Concord Executive Officers and Directors Have Interests in the Merger that May be Different From, or in Addition to, the Interests of Concord Shareholders, Including Interests With Respect to Stock Options, Retention Bonus Payments and Employment Agreements (see page 67)**

When Concord shareholders consider their board of directors' recommendation that they vote in favor of the adoption of the merger agreement, Concord shareholders should be aware that Concord executive officers and directors may have interests in the merger that may be different from, or in addition to, shareholders' interests.

For example, the dollar amount of in-the-money options held by the directors and executive officers of Concord that will become vested upon completion of the merger is approximately \$40.1 million, based on the closing sale price of First Data common stock on September 15, 2003. Under the Concord retention bonus program, executive officers of Concord have been allocated an aggregate of approximately \$4.7 million, which will become payable upon completion of the merger or, in some cases, six months after completion of the merger.

In addition, Concord executive officers Edward A. Labry III, Dan M. Palmer, J. Richard Buchignani, Ronald V. Congemi, Paul W. Finch, Jr., Edward T. Haslam and E. Miles Kilburn have employment agreements which provide that they are entitled to payments and benefits in the event of a change of control of Concord or in the event the executive officers are terminated by Concord without cause or terminate their employment for good reason (in each case, as defined in their respective employment agreements). The aggregate cash amounts payable to these executive officers under their employment agreements would have totaled approximately \$5.2 million if the merger had been completed and the terminations had occurred on September 15, 2003.

The Concord board of directors was aware of these interests and considered them, among other matters, in approving the merger agreement and the merger. Concord shareholders should consider these and other interests of Concord's directors and executive officers that are described in this joint proxy statement/prospectus.

### **Each Outstanding Concord Stock Option to Purchase Concord Common Stock Will Be Converted Into a Vested and Fully Exercisable Option to Purchase 0.40 Shares of First Data Common Stock (see page 70)**

Upon completion of the merger, each outstanding Concord stock option to purchase Concord common stock will be converted into an option to purchase First Data common stock. Each outstanding Concord stock option will become vested and fully exercisable upon completion of the merger. The number of shares of First Data common stock underlying the new First Data option will equal the number of shares of Concord common stock for which the corresponding Concord option was exercisable, multiplied by 0.40, rounded to the nearest whole share. The per share exercise price of each new First Data option will equal the exercise price of the corresponding Concord option divided by 0.40, rounded to the nearest whole cent.

### **The Purchase Method of Accounting Will Be Used to Account for the Merger (see page 60)**

First Data will account for the merger under the purchase method of accounting for business combinations under accounting principles generally accepted in the United States of America.



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**Selected Historical Financial Information**

We are providing the following selected historical consolidated financial information to assist you in your analysis of the financial aspects of the merger. We derived the annual First Data historical information from the consolidated financial statements of First Data as of and for each of the years ended December 31, 1998 through 2002. We derived the annual Concord historical information from the consolidated financial statements of Concord as of and for each of the years ended December 31, 1998 through 2002. The data as of and for the six months ended June 30, 2003 and 2002 has been derived from interim financial statements of both First Data and Concord and, in the opinion of each company's management, include all normal and recurring adjustments that are considered necessary for the fair presentation of the results for the interim period. The information is only a summary and should be read in conjunction with each company's historical consolidated financial statements and related notes contained in the First Data and Concord annual reports on Form 10-K for the year ended December 31, 2002 and quarterly reports on Form 10-Q for the three and six months ended June 30, 2003, which have been incorporated by reference in this joint proxy statement/prospectus, as well as other information that has been filed with the Securities and Exchange Commission ( SEC ). See [Where You Can Find More Information](#) for information on where you can obtain copies of this information. The historical results included below and elsewhere in this document are not indicative of the future performance of First Data, Concord or the combined company.

**Table of Contents****First Data Selected Historical Financial Information**

	As of and for the						
	Six Months Ended June 30,		Year Ended December 31,				
	2003	2002	2002	2001	2000	1999	1998
	(in millions, except per share data)						
<b>Income Statement Data</b>							
Revenues	\$ 4,123.2	\$ 3,630.2	\$ 7,636.2	\$ 6,651.6	\$ 5,922.1	\$ 5,776.4	\$ 5,309.5
Expenses, net of other income/expense	3,244.9	2,896.3	5,981.9	5,591.7	4,724.6	3,996.7	4,597.9
Income before income taxes, minority interest, equity earnings in affiliates and cumulative effect of a change in accounting principle	878.3	733.9	1,654.3	1,059.9	1,197.5	1,779.7	711.6
Income taxes	242.7	196.1	432.2	336.8	378.7	625.7	246.2
Minority interest	(57.0)	(47.0)	(102.8)	(32.4)	(24.5)	(38.7)	(35.8)
Equity earnings in affiliates	67.8	52.1	118.6	183.9	135.3	84.4	36.1
Income before cumulative effect of a change in accounting principle	646.4	542.9	1,237.9	874.6	929.6	1,199.7	465.7
Cumulative effect of a change in accounting principle, net of \$1.6 income tax benefit				(2.7)			
Net Income	\$ 646.4	\$ 542.9	\$ 1,237.9	\$ 871.9	\$ 929.6	\$ 1,199.7	\$ 465.7
Depreciation and amortization	\$ 288.4	\$ 257.3	\$ 538.5	\$ 638.4	\$ 588.8	\$ 617.8	\$ 591.1
<b>Per Share Data</b>							
Earnings per share basic	\$ 0.86	\$ 0.71	\$ 1.63	\$ 1.12	\$ 1.14	\$ 1.40	\$ 0.52
Earnings per share diluted	0.85	0.70	1.61	1.10	1.12	1.38	0.52
Cash dividends per share	0.04	0.03	0.07	0.04	0.04	0.04	0.04
<b>Balance Sheet Data (at End of Period)</b>							
Total assets	\$ 27,703.0	\$ 22,630.2	\$ 26,591.2	\$ 21,912.2	\$ 17,295.1	\$ 17,004.8	\$ 16,587.0
Settlement assets	17,377.1	13,636.8	16,688.5	13,166.9	9,816.6	9,585.6	9,758.0
Total liabilities	23,429.3	18,837.4	22,434.9	18,392.3	13,567.4	13,097.1	12,831.1
Settlement obligations	16,924.7	13,399.4	16,294.3	13,100.6	9,773.2	9,694.6	9,617.0
Borrowings	2,894.1	2,381.3	2,581.8	2,517.3	1,780.0	1,528.1	1,521.7
Convertible debt	536.6	585.9	552.7	584.8	50.0	50.0	50.0
Total stockholders equity	4,273.7	3,792.8	4,156.3	3,519.9	3,727.7	3,907.7	3,755.9

**Table of Contents****Concord Selected Historical Financial Information**

	As of and for the						
	Six Months Ended June 30,		Year Ended December 31,				
	2003	2002	2002	2001	2000	1999	1998
	(in millions, except per share data)						
<b>Income Statement Data</b>							
Revenue (1)	\$ 1,089.9	\$ 909.9	\$ 1,966.6	\$ 1,579.9	\$ 1,319.7	\$ 1,037.6	\$ 811.6
Cost of operations	798.8	613.8	1,366.5	1,080.4	924.7	713.3	552.5
Selling, general and administrative expenses	66.3	57.1	123.9	91.1	92.0	92.3	90.9
Acquisition, restructuring and write-off charges	7.9	76.6	77.5	125.3	11.7	36.2	
Litigation settlement charges		20.8	8.7				
Operating income	216.9	141.6	390.0	283.1	291.3	195.8	168.2
Net investment income	24.9	33.3	65.7	57.6	37.2	16.2	2.6
Other income, net	11.1	7.0	9.1	4.2	2.2	0.2	1.2
Equity in earnings of subsidiary							0.3
Income taxes	88.5	64.1	163.1	128.0	120.2	82.9	65.7
Minority interest in subsidiary	0.6	0.4	0.9	0.5	0.6	0.1	
Net income	\$ 163.8	\$ 117.4	\$ 300.8	\$ 216.4	\$ 209.9	\$ 129.2	\$ 106.6
Depreciation and amortization	\$ 53.8	\$ 39.6	\$ 85.9	\$ 94.1	\$ 96.6	\$ 82.7	\$ 70.7
Basic earnings per share	\$ 0.34	\$ 0.23	\$ 0.59	\$ 0.44	\$ 0.44	\$ 0.28	\$ 0.24
Diluted earnings per share	\$ 0.33	\$ 0.22	\$ 0.57	\$ 0.42	\$ 0.42	\$ 0.27	\$ 0.23
Basic shares	486.6	510.2	507.3	494.7	478.4	463.7	448.5
Diluted shares	496.7	531.5	524.7	517.0	496.0	479.7	462.8
<b>Balance Sheet Data</b>							
Working capital	\$ 1,430.9	\$ 1,446.2	\$ 1,288.5	\$ 1,318.9	\$ 656.0	\$ 450.3	\$ 223.1
Total assets	\$ 3,001.3	\$ 3,085.9	\$ 2,528.4	\$ 2,729.4	\$ 1,828.3	\$ 1,301.1	\$ 1,002.3
Long-term debt, less current maturities	\$ 133.6	\$ 126.2	\$ 139.1	\$ 119.5	\$ 109.9	\$ 89.3	\$ 190.6
Total stockholders' equity	\$ 2,077.9	\$ 2,120.7	\$ 1,916.2	\$ 1,858.6	\$ 1,132.5	\$ 855.4	\$ 493.2

- (1) In the third quarter of 2003, Concord began recognizing revenue from product sales when title to the equipment passes to the customer. Prior to the third quarter, Concord had recognized revenue from product sales when the equipment was shipped. This change in method of recognizing revenue did not necessitate a restatement of Concord's financial statements because the impact of the change was not material.

**Table of Contents****Selected Unaudited Pro Forma Condensed Combined Consolidated Financial Information**

The merger will be accounted for under the purchase method of accounting, which means the assets and liabilities of Concord will be recorded, as of completion of the merger, at their respective fair values and added to those of First Data. For a more detailed description of purchase accounting, see The Proposed Merger Accounting Treatment.

We have presented below selected unaudited pro forma condensed combined consolidated financial information that reflects the purchase method of accounting and is intended to provide you with a better picture of what our businesses might have looked like had they actually been combined at the beginning of each period presented. The unaudited pro forma condensed combined consolidated financial information has been prepared assuming that 0.40 of a share of First Data common stock had been issued in exchange for each outstanding share of Concord common stock. The unaudited pro forma condensed combined consolidated financial information may have been different had the companies actually been combined at the beginning of each period presented. The selected unaudited pro forma condensed combined consolidated financial information does not reflect the effect of asset dispositions, if any, or cost savings that may result from the merger. You should not rely on the selected unaudited pro forma condensed combined consolidated financial information as being indicative of the historical results that would have occurred had the companies been combined or the future results that may be achieved after the completion of the merger. The following selected unaudited pro forma condensed combined consolidated financial information has been derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Consolidated Financial Statements and related notes included in Chapter Two of this joint proxy statement/prospectus.

	For the	
	Six Months Ended June 30, 2003	Year Ended December 31, 2002
	(in millions, except per share data)	
<b>Income Statement Data</b>		
Revenue	\$ 4,725.7	\$ 8,778.1
Operating income	1,091.2	2,023.3
Net income	778.3	1,457.9
Earnings per share:		
Basic	\$ 0.82	\$ 1.52
Diluted	0.81	1.49
Weighted average number of shares and share equivalents:		
Basic	943.7	960.4
Diluted	958.3	981.7
Depreciation/Amortization	407.0	760.7
<b>Balance Sheet Data (at June 30, 2003)</b>		
Cash	\$ 1,311.4	
Settlement assets	17,938.7	
Total assets	36,185.0	
Settlement obligations	17,486.3	
Borrowings	3,430.7	
Stockholders' equity	11,373.4	



**Table of Contents****Comparative Historical and Unaudited Pro Forma Per Share Information**

The following table includes selected historical per share information of First Data and Concord and unaudited pro forma condensed combined consolidated per share information after giving effect to the merger between First Data and Concord, under the purchase method of accounting, assuming that 0.40 of a share of First Data common stock had been issued in exchange for each outstanding share of Concord common stock. You should read this information in conjunction with the selected historical financial information, included elsewhere in this joint proxy statement/prospectus, and the historical financial statements of First Data and Concord and related notes that are incorporated in this joint proxy statement/prospectus by reference. The unaudited First Data pro forma condensed combined consolidated per share information is derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Consolidated Financial Statements and related notes included in Chapter Two of this joint proxy statement/prospectus. The historical per share information is derived from audited financial statements as of and for the year ended December 31, 2002 and unaudited financial statements for the six months ended June 30, 2003 and June 30, 2002. The unaudited First Data pro forma combined cash dividends per share reflect the historical amounts paid by First Data. The unaudited pro forma Concord per share equivalents are calculated by multiplying the unaudited First Data pro forma combined per share amounts by the exchange ratio of 0.40. The pro forma combined outstanding shares of First Data as of June 30, 2003 was 934.9 million. The pro forma combined outstanding shares are based on the number of shares of First Data common stock outstanding at June 30, 2003 and the number of shares of Concord common stock outstanding at June 30, 2003 multiplied by the 0.40 exchange ratio. All per share amounts with respect to First Data common stock noted below have been retroactively restated to reflect the impact of a 2-for-1 stock split that was distributed on June 4, 2002.

The unaudited pro forma condensed combined consolidated per share information does not purport to represent what the actual results of operations of First Data and Concord would have been had the companies been combined during the periods presented or to project First Data and Concord's results of operations that may be achieved after the completion of the merger.

	For the	
	Six Months Ended June 30, 2003	Year Ended December 31, 2002
<b>Unaudited First Data Pro Forma Combined</b>		
Per common share data:		
Income:		
Basic	\$ 0.82	\$ 1.52
Diluted	0.81	1.49
Cash dividends paid	0.04	0.07
Book value	12.17	N/A
<b>First Data Historical</b>		
Per common share data:		
Income:		
Basic	\$ 0.86	\$ 1.63
Diluted	0.85	1.61
Cash dividends paid	0.04	0.07
Book value	5.77	N/A
<b>Concord Historical</b>		
Per common share data:		
Income:		
Basic	\$ 0.34	\$ 0.59
Diluted	0.33	0.57
Cash dividends paid		
Book value	4.27	N/A

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**Unaudited Pro Forma Concord Equivalents Combined**

Per common share data:

Income:

Basic	\$ 0.33	\$ 0.61
Diluted	0.32	0.60
Cash dividends paid	0.02	0.03
Book value	4.87	N/A

**Table of Contents****Comparative Per Share Market Price And Dividend Information**

First Data common stock and Concord common stock are each listed on the New York Stock Exchange. First Data's and Concord's ticker symbols are FDC and CE, respectively. The following table shows, for the calendar quarters indicated, based on published financial sources: (1) the high and low sale prices of shares of First Data common stock and Concord common stock as reported on the New York Stock Exchange Composite Transaction Tape (and on the NASDAQ National Market with respect to Concord prior to November 7, 2002) and (2) the cash dividends paid per share of First Data common stock. Concord has not paid cash dividends on its common stock. The sales prices and dividends with respect to First Data common stock noted below have been retroactively restated for all periods to reflect the impact of a 2-for-1 stock split that was distributed to the First Data shareholders on June 4, 2002. The sales prices with respect to Concord common stock noted below have been retroactively restated for all periods to reflect the impact of a 2-for-1 stock split that was distributed to the Concord shareholders on September 14, 2001.

	First Data Common Stock			Concord Common Stock	
	High	Low	Dividends	High	Low
<b>2001</b>					
First Quarter	\$ 32.05	\$ 24.88	\$ 0.01	\$ 24.97	\$ 17.00
Second Quarter	\$ 34.43	\$ 28.75	\$ 0.01	\$ 28.47	\$ 18.72
Third Quarter	\$ 36.13	\$ 26.33	\$ 0.01	\$ 30.83	\$ 21.08
Fourth Quarter	\$ 40.10	\$ 27.39	\$ 0.01	\$ 33.36	\$ 23.65
<b>2002</b>					
First Quarter	\$ 44.05	\$ 37.98	\$ 0.01	\$ 34.38	\$ 24.75
Second Quarter	\$ 45.08	\$ 35.15	\$ 0.02	\$ 35.06	\$ 28.66
Third Quarter	\$ 39.24	\$ 26.84	\$ 0.02	\$ 30.78	\$ 12.60
Fourth Quarter	\$ 37.74	\$ 23.75	\$ 0.02	\$ 18.10	\$ 12.70
<b>2003</b>					
First Quarter	\$ 38.30	\$ 30.90	\$ 0.02	\$ 16.66	\$ 7.80
Second Quarter	\$ 44.90	\$ 32.50	\$ 0.02	\$ 16.23	\$ 11.50
Third Quarter (through September 23, 2003)	\$ 43.63	\$ 36.98	\$ 0.02	\$ 15.45	\$ 13.26

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**RISK FACTORS**

*First Data and Concord shareholders should carefully consider the following factors, in addition to those factors discussed in the documents that we have filed with the Securities and Exchange Commission and which we have incorporated into this document and the other information in this joint proxy statement/prospectus, before voting at their respective special meetings.*

**Risks Relating to the Merger**

**The value of First Data shares to be received by Concord shareholders will fluctuate.**

The number of shares of First Data common stock issued pursuant to the merger for each share of Concord common stock is fixed. The market prices of First Data common stock and Concord common stock when the merger is completed may vary from their market prices at the date of this document and at the date of the special meetings of First Data and Concord. For example, during the 12-month period ended on September 23, 2003, the most recent practical date prior to the mailing of this joint proxy statement/prospectus, First Data common stock traded in a range from a low of \$23.75 to a high of \$44.90 and ended that period at \$43.02, and Concord common stock traded in a range from a low of \$7.80 to a high of \$18.10 and ended that period at \$13.70. See Summary Comparative Per Share Market Price and Dividend Information for more detailed share price information.

These variations may be the result of various factors, including:

changes in the business, operations or prospects of First Data or Concord;

general market and economic conditions; and

litigation and/or regulatory developments.

The merger may not be completed until a significant period of time has passed after the First Data and Concord special meetings. At the time of their respective special meetings, First Data and Concord shareholders will not know the exact value of the First Data common stock that will be issued in connection with the merger.

Shareholders of First Data and Concord are urged to obtain current market quotations for First Data and Concord common stock.

**We may be unable to successfully integrate the operations of First Data and Concord and realize the publicly announced potential cost synergies of \$230 million on an annualized basis by 2005.**

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The merger involves the integration of two companies that previously operated independently. The difficulties of combining the companies operations include:

the necessity of coordinating geographically separated organizations, systems and facilities; and

integrating personnel with diverse business backgrounds and organizational cultures.

The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of one or more of the combined company s businesses and the possible loss of key personnel. The diversion of management s attention and any delays or difficulties encountered in connection with the merger and the integration of the two companies operations could have an adverse effect on the business, results of operations, financial condition or prospects of the combined company after the merger.

On April 2, 2003, First Data announced that it anticipated potential cost synergies of \$230 million on an annualized basis by 2005 that could result from the merger. We cannot give any assurance that these savings will be realized within the time periods contemplated or even that they will be realized at all.

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### **We will incur significant transaction, merger-related and restructuring costs in connection with the merger.**

First Data and Concord expect to incur costs associated with combining the operations of the two companies, transaction fees and other costs related to the merger. The total estimate includes approximately \$80 million for transaction costs. The estimated \$80 million of transaction costs will be recorded as a component of the purchase price. First Data also will incur restructuring and integration costs in connection with the merger. First Data is in the early stages of making assessments of these costs and at this time is unable to give an estimate of these costs. The amount related to restructuring will be included as a liability in the purchase price allocation or as an expense, depending on the nature of the restructuring activity. The amount of transaction fees expected to be incurred is a preliminary estimate and subject to change. Additional unanticipated costs may be incurred in the integration of the businesses of First Data and Concord. Although First Data and Concord expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, may offset incremental transaction, merger-related and restructuring costs over time, we cannot give any assurance that this net benefit will be achieved in the near term, or at all.

### **Charges to earnings resulting from the application of the purchase method of accounting may adversely affect the market value of First Data's common stock following the merger.**

In accordance with generally accepted accounting principles in the United States, the merger will be accounted for using the purchase method of accounting, which will result in charges to earnings that could have an adverse impact on the market value of First Data common stock following completion of the merger. Under the purchase method of accounting, the total estimated purchase price will be allocated to Concord's net tangible assets and identifiable intangible assets based on their fair values as of the date of completion of the merger. The excess of the purchase price over those fair values will be recorded as goodwill. The combined company will incur additional amortization expense based on the identifiable intangible assets acquired in connection with the merger. Additionally, to the extent the value of goodwill becomes impaired, the combined company may be required to incur material charges relating to such impairment. These amortization and potential impairment charges could have a material impact on the combined company's results of operations.

First Data estimates the annual amortization expense for these identifiable intangible assets will approximate \$169 million. Based on Concord's amortization expense of approximately \$33 million related to identifiable intangible assets for the year ended December 31, 2002, First Data will incur approximately \$136 million of incremental annual amortization expense after the completion of the merger. This incremental expense will impact the earnings per share after the completion of the merger by approximately \$0.09 per share. Changes in earnings per share, including as a result of this incremental expense, could adversely affect the trading price of the First Data common stock.

### **First Data and Concord may be unable to obtain the regulatory approvals required to complete the merger or, in order to do so, the combined company may be required to comply with material restrictions or conditions.**

The merger is subject to review by the Antitrust Division of the United States Department of Justice under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. First Data and Concord filed the required notification and report forms with the Federal Trade Commission and the Antitrust Division on April 10, 2003. On May 9, 2003, First Data withdrew its original filing, and on May 13, 2003, First Data re-filed the required notification and report forms with the Federal Trade Commission and the Antitrust Division, initiating a new 30-day review period. The withdrawal of First Data's original filing terminated the running of the initial 30-day review period, which would have otherwise expired on May 12, 2003, absent the issuance of a request for additional information by the Antitrust Division. The re-filing was a procedural measure which allowed First Data to continue its informal discussions with the Antitrust Division for an additional 30 days without requiring the Antitrust Division to issue a formal statutory request for additional information.



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On June 12, 2003, each of First Data and Concord received a request for additional information from the Antitrust Division in connection with the merger. This request effectively extended the waiting period for the merger under the Hart-Scott-Rodino Act until 30 days after both parties substantially comply with the request for additional information. First Data and Concord each certified substantial compliance with the request for additional information on September 5, 2003. Under the Hart-Scott-Rodino Act, the Antitrust Division has the right to challenge such certification.

The obligation of First Data and Concord to complete the merger is conditioned upon satisfaction of material regulatory requirements, including antitrust approval. It is possible that the Antitrust Division will not have approved the merger by the date of the First Data and Concord special meetings, which could delay completion of the merger for a significant period of time after First Data and Concord shareholders have approved the proposals relating to the merger. Any delay in the completion of the merger could diminish the anticipated benefits of the merger or result in additional transaction costs, loss of revenue or other effects associated with uncertainty about the transaction.

In addition, it is possible that, among other things, the Antitrust Division or another governmental agency could condition its approval of the merger upon First Data and Concord entering into an agreement to divest a portion of their combined businesses or assets, or to restrict the operations of the combined businesses in accordance with specified business conduct rules. Acceptance of any such divestiture requests or restrictions on operations could diminish the benefits of the merger to the combined company and result in additional transaction costs, loss of revenue or other effects associated with restricting business operations. Alternatively, rejection of such conditions could result in First Data and Concord litigating with the Antitrust Division or other governmental entities, which could delay the proposed merger or possibly could cause the proposed merger to be abandoned.

No additional shareholder approval is expected to be required for any decision by First Data or Concord, after the special meeting of First Data shareholders and the special meeting of Concord shareholders, to agree to any terms and conditions necessary to resolve any regulatory objections to the merger.

Furthermore, during or after the statutory waiting periods, and even after completion of the merger, U.S. federal or state governmental authorities could seek to challenge the merger as they deem necessary or desirable in the public interest.

First Data and Concord also must obtain approvals from federal and state banking authorities for transactions related to the transfer of the assets and liabilities of Concord EFS National Bank and the termination of its national bank charter so that First Data does not become a bank holding company. Satisfying these requirements also could affect the date of completion of the merger or require compliance with material restrictions or conditions. On August 21, 2003, the Division of Banking of the Colorado Department of Regulatory Agencies approved, subject to certain customary conditions, the applications of First Financial Bank, Concord and Concord EFS National Bank to complete such transactions. Certain of these transactions remain subject to the approval of federal banking regulators. First Data and Concord cannot be certain when they will obtain approvals from these regulators or that they will obtain them at all.

The Payment System Working Group, a sub-group of the National Association of Attorneys General (an association of state attorneys general), has requested that First Data and Concord provide it with copies of the information that First Data and Concord have supplied to the Antitrust Division. First Data and Concord have complied with this request. In addition, each of First Data and Concord has provided the Payment System Working Group with copies of the information provided to the Antitrust Division in connection with the request for additional information.

See [The Proposed Merger Regulatory Matters Relating to the Merger](#) for a description of the regulatory approvals necessary in connection with the merger. No assurance can be given, however, that these





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approvals will be obtained or that the required conditions to closing will be satisfied, and, if all such approvals are obtained and the conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the approvals or that they will satisfy the terms of the merger agreement.

## **Risks Relating to the Businesses of First Data, Concord and the Combined Company**

**The business of the combined company will be subject to risks currently affecting the businesses of First Data and Concord.**

After the completion of the merger, the business of the combined company, as well as the price of First Data common stock, will be subject to numerous risks currently affecting the businesses of First Data and Concord, including, without limitation, the potential loss of certain significant customers in Concord's Network Services segment due to a possible failure to renew certain customer contracts which by their terms terminate on December 31, 2004, increasing competition in the combined company's line of business and continued consolidation in the banking and retail industries. For a discussion of First Data's business and Concord's business, together with certain factors to consider in connection with such businesses, see First Data's Annual Report on Form 10-K for the fiscal year ended December 31, 2002 and Concord's Annual Report on Form 10-K for the fiscal year ended December 31, 2002 and our other filings with the SEC that are incorporated by reference in this joint proxy statement/prospectus.

## **Current or future card association rules and practices could adversely affect our business, transaction volumes, operating results and financial condition.**

Concord's STAR<sub>sm</sub> network, as a result of the combination of the STAR<sub>sm</sub>, MAC<sup>®</sup> and Cash Station<sup>®</sup> networks, is the first regional debit network that may potentially be viewed as achieving national status in terms of size and geographic coverage. In addition, First Data's NYCE network further increases the size and coverage of the combined company. Current VISA and MasterCard rules prohibit their members from issuing the debit cards or credit cards of any competing national network, with the exception of each other. These rules also prohibit the coexistence of competing national marks on their credit and branded debit cards. If VISA or MasterCard were to determine that STAR<sub>sm</sub>, together with the NYCE network, is a competing national network and mark, they could attempt to prohibit their members from issuing STAR<sub>sm</sub>-branded cards and/or prohibit the coexistence of the STAR<sub>sm</sub> mark with the VISA and/or MasterCard marks on debit and credit cards. If this occurred, we cannot predict whether, when forced to choose between STAR<sub>sm</sub> and other brands, issuing banks would favor STAR<sub>sm</sub> over VISA or MasterCard. Further, the combined company could lose access to the VISA or MasterCard network and cardholders, which could adversely affect elements of our business, such as ATM transactions, personal identification number (referred to as a PIN in this joint proxy statement/prospectus) secured and signature debit transactions, credit card transactions, operating results and financial condition. Card issuers who participate in both STAR<sub>sm</sub> and VISA or MasterCard networks also may provide incentives for cardholders to use VISA or MasterCard signature-based systems instead of the STAR<sub>sm</sub> PIN-based system. Such incentives may adversely affect our business, operating results and financial condition.

## **The outcome of litigation involving VISA and MasterCard could have a negative impact on the business of the combined company.**

VISA and MasterCard have been sued by the Department of Justice for alleged violations of the federal antitrust laws. After trial of the action, the remaining issue of the case arises out of their respective functionally identical policies of prohibiting their members from issuing cards in competing systems other than VISA, MasterCard or Citigroup, one of the largest owners/members of VISA and MasterCard. VISA and MasterCard appealed an adverse judgment by the trial court on this issue to the court of appeals for the Second Circuit. That appeal is pending. The potential impact of this litigation on the combined company depends upon whether or not the Department of Justice is successful and if it is

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successful, the relief ordered by the court. Concord does not currently issue credit cards and has not been deemed to operate a competing system by either VISA or

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MasterCard. If VISA and MasterCard are permitted to prohibit members from issuing cards in competing systems, however, there could be a significant negative impact on the combined company if VISA or MasterCard were then to deem the STAR<sub>sm</sub> debit network and/or the NYCE network to be a competing system for these purposes.

VISA and MasterCard also have been sued in a class action case brought by merchants who allege that VISA and MasterCard have (1) unlawfully tied merchant acceptance of VISA and MasterCard signature debit cards to merchant acceptance of VISA and MasterCard credit cards and (2) attempted and conspired to monopolize the market for debit cards, a business in which the combined company will compete against VISA and MasterCard. It has been reported that on June 4, 2003, MasterCard and VISA each entered into an agreement to settle the class action litigation with the merchants. According to publicly available descriptions of the agreements, the proposed settlements include monetary payments in the amount of approximately \$2 billion with respect to VISA and \$1 billion with respect to MasterCard, as well as agreements relating to the operating rules and competitive practices of the MasterCard and VISA networks. The settlements have not been finally approved by the court. Currently, given the uncertainties regarding the proposed settlements and their effect on the complex competitive environment, we cannot assess the potential impact of these settlements on the combined company and competing debit networks, including the NYCE debit network, majority owned by First Data, and the STAR<sub>sm</sub> debit network, owned by Concord.

The expected reduction by VISA and MasterCard of the interchange fees charged for signature debit transactions could negatively impact the growth of PIN based debit transactions, as such a reduction would reduce the current disparity between the interchange fees charged for these two types of transactions.

### **Changes in card association fees or products could increase our costs or otherwise limit our operations.**

From time to time, VISA, MasterCard, Discover, American Express and Diners Club increase the organization and/or processing fees (known as interchange fees) that they charge. For example, in April 2002 MasterCard increased its fees, and in October 2002 VISA increased its fees. It is possible that competitive pressures will result in the combined company absorbing a portion of such increases in the future, which would increase its operating costs, reduce its profit margin and adversely affect its business, operating results and financial condition. Furthermore, the rules and regulations of the various card associations and networks prescribe certain capital requirements. Any increase in the capital level required would further limit the combined company's use of capital for other purposes.

### **First Data and Concord are the subject of various legal proceedings.**

First Data and Concord are involved in various litigation matters. First Data and Concord also are involved in or are the subject of governmental or regulatory agency inquiries or investigations from time to time. For more information about First Data's and Concord's legal proceedings, see our filings with the SEC that are incorporated by reference into this joint proxy statement/prospectus.

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**FORWARD-LOOKING STATEMENTS**

We have made forward-looking statements in this document, and in documents that are incorporated by reference in this document, that are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of each company's management. Generally, forward-looking statements include information concerning possible or assumed future actions, events or results of operations of First Data, Concord and the combined company. Forward-looking statements include the information in this document regarding:

management forecasts;

efficiencies/cost avoidance;

cost savings;

income and margins;

earnings per share;

growth;

economies of scale;

combined operations;

the economy;

future economic performance;

conditions to, and the timetable for, completing the merger;

future acquisitions and dispositions;

litigation;

potential and contingent liabilities;

management's plans;