

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-05-13** | Period of Report: **1994-03-31**
SEC Accession No. **0000950144-94-001052**

([HTML Version](#) on secdatabase.com)

FILER

FIRST FINANCIAL MANAGEMENT CORP

CIK: **36326** | IRS No.: **581107864** | State of Incorporation: **GA** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-10442** | Film No.: **94527905**
SIC: **7320** Consumer credit reporting, collection agencies

Mailing Address
3 CORPORATE SQ-STE 700
ATLANTA GA 30329

Business Address
3 CORPORATE SQ-STE 700
ATLANTA GA 30329
4043210120

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934
For the quarterly period ended MARCH 31, 1994

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number 1-10442

FIRST FINANCIAL MANAGEMENT CORPORATION

(Exact name of registrant as specified in its charter)

GEORGIA

58-1107864

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

3 CORPORATE SQUARE, SUITE 700, ATLANTA, GEORGIA

30329

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

(404) 321-0120

NOT APPLICABLE

(Former name, former address and former fiscal year, if changed since last
report.)

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

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

Title of each class

Number of Shares Outstanding
as of May 2, 1994

Common Stock, \$.10 par value

61,266,515

FIRST FINANCIAL MANAGEMENT CORPORATION

INDEX

<TABLE>
<CAPTION>

	PAGE NUMBER	

PART I.	FINANCIAL INFORMATION	
<S>	<C>	
Item 1	Consolidated Financial Statements:	
	Consolidated Balance Sheets at March 31, 1994 and December 31, 1993	3
	Consolidated Statements of Income for the three months ended March 31, 1994 and 1993	4
	Consolidated Statements of Cash Flows for the three months ended March 31, 1994 and 1993	5
	Notes to Consolidated Financial Statements	6
Item 2	Management's Discussion and Analysis of Financial Condition and Results of Operations	8
PART II.	OTHER INFORMATION	
Item 4	Submission of Matters to a Vote of Security Holders	10
Item 6	Exhibits and Reports on Form 8-K	10

</TABLE>

2

3

PART I. FINANCIAL INFORMATION

FIRST FINANCIAL MANAGEMENT CORPORATION

CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

<TABLE>
<CAPTION>

	MARCH 31, 1994	DECEMBER 31, 1993
	-----	-----
ASSETS	(Dollars in thousands)	
<S>	<C>	<C>
Current Assets:		
Cash and cash equivalents	\$ 181,976	\$ 186,263
Accounts receivable, net of allowance for doubtful accounts of \$4,368 (1994) and \$4,043 (1993)	348,314	323,130
Prepaid expenses and other current assets	89,139	87,797
	-----	-----

Total Current Assets	619,429	597,190
Property and equipment, net	133,269	134,804
Excess of cost over fair value of assets acquired, less accumulated amortization of \$56,580 (1994) and \$52,001 (1993)	677,882	647,746
Customer contracts, less accumulated amortization of \$34,773 (1994) and \$31,806 (1993)	137,364	140,124
Other assets	116,367	106,279
	-----	-----
	\$1,684,311	\$1,626,143
	=====	=====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:

Accounts payable and accrued expenses	\$ 293,711	\$ 278,637
Income taxes payable	23,779	10,563
Current portion of long-term debt	4,425	6,218
	-----	-----
Total Current Liabilities	321,915	295,418
Long-term debt, less current portion	11,651	8,495
Deferred income taxes payable	63,882	63,347
Other liabilities	10,064	10,919
	-----	-----
Total Liabilities	407,512	378,179
	-----	-----

Commitments

Shareholders' Equity:

Common stock, \$.10 par value; authorized 150,000,000 shares, issued 60,935,314 shares (1994) and 59,881,709 shares (1993)	6,094	5,988
Paid-in capital	829,907	828,699
Retained earnings	441,449	413,928
Treasury stock at cost, 20,000 shares	(651)	(651)
	-----	-----
Total Shareholders' Equity	1,276,799	1,247,964
	-----	-----
	\$1,684,311	\$1,626,143
	=====	=====

</TABLE>

See notes to consolidated financial statements.

3

4

FIRST FINANCIAL MANAGEMENT CORPORATION

CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

<TABLE>
<CAPTION>

THREE MONTHS ENDED MARCH 31,

-----	-----
1994	1993
-----	-----

(In thousands, except per share amounts)

<S>	<C>	<C>
REVENUES:		
Service revenues	\$413,678	\$322,929
Product sales	18,818	24,019
Other	359	1,521
	-----	-----
	432,855	348,469
	-----	-----
EXPENSES:		
Operating	348,405	271,940
General and administrative	4,803	4,718
Cost of products sold	11,447	15,330
Depreciation and amortization	21,937	18,586
Interest, net	(1,186)	1,335
	-----	-----
	385,406	311,909
	-----	-----
Income before income taxes	47,449	36,560
Income taxes	19,928	15,096
	-----	-----
Net Income	\$ 27,521	\$ 21,464
	=====	=====
Earnings per common share	\$ 0.45	\$ 0.35
	=====	=====

</TABLE>

See notes to consolidated financial statements.

4

5

FIRST FINANCIAL MANAGEMENT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<TABLE>
<CAPTION>

	THREE MONTHS ENDED MARCH 31,	
	1994	1993
	-----	-----
	(In thousands)	
<S>	<C>	<C>
Cash and cash equivalents at January 1	\$186,263	\$ 16,823
	-----	-----
Cash flows from operating activities:		
Net income	27,521	21,464
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation and amortization	21,937	18,586
Interest expense allocated to discontinued operations		(413)

Other non-cash items	309	664
Increase (decrease) in cash, net of effects from acquisitions and dispositions, resulting from changes in:		
Accounts receivable	(21,375)	32,204
Prepaid expenses and other assets	(2,351)	(4,402)
Accounts payable and accrued expenses	28,582	(14,402)
Income tax accounts	17,935	12,114
	-----	-----
Net cash provided by operating activities	72,558	65,815
	-----	-----
Cash flows from financing activities:		
Principal payments on long-term debt	(831)	(58,948)
Payments of other liabilities	(2,998)	(3,425)
	-----	-----
Net cash used in financing activities	(3,829)	(62,373)
	-----	-----
Cash flows from investing activities:		
Acquisitions, net of cash received	(24,731)	(1,492)
Payments related to businesses previously acquired	(26,381)	(5,974)
Proceeds, net of expenses, from sale of business		41,249
Proceeds and dividends received from discontinued operations, net of expenses and taxes paid	(2,496)	(31,858)
Additions to property and equipment, net	(7,417)	(6,993)
Software development and customer conversions	(11,991)	(8,076)
	-----	-----
Net cash used in investing activities	(73,016)	(13,144)
	-----	-----
Change in cash and cash equivalents	(4,287)	(9,702)
	-----	-----
Cash and cash equivalents at March 31	\$181,976	\$ 7,121
	=====	=====

</TABLE>

See notes to consolidated financial statements.

FIRST FINANCIAL MANAGEMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. The consolidated financial statements include the accounts of First Financial Management Corporation and its wholly-owned subsidiaries (the "Company" or "FFMC"). All material intercompany profits, transactions, and balances have been eliminated. The Company operates in a single business segment, providing a vertically integrated set of data processing, storage and management products for the capture, manipulation and distribution of information. Services include merchant credit card authorization, processing and settlement; check guarantee and verification; debt collection and accounts receivable management; data imaging, micrographics and electronic data base management; health care claims processing and integrated management

services; and the development and marketing of data communication and information processing systems, including in-store marketing programs and systems for supermarkets.

The financial information presented should be read in conjunction with the Company's annual consolidated financial statements and notes included in its Annual Report on Form 10-K for the year ended December 31, 1993. The foregoing unaudited consolidated financial statements reflect all adjustments (all of which are of a normal recurring nature) which are, in the opinion of management, necessary for a fair presentation of the results of the interim periods. The results for the interim period are not necessarily indicative of results to be expected for the year.

2. Cash and cash equivalents at March 31, 1994 include approximately \$88.5 million in First Financial Bank ("FFB"), of which \$70 million relates to FFB's current capital requirements.
3. On March 22, 1994, the Company entered into an employment agreement with Patrick H. Thomas, FFMC's Chairman of the Board, President and Chief Executive Officer, which begins coterminous with the termination of his current employment agreement on December 31, 1994. Two awards totalling 972,500 restricted shares of FFMC common stock were granted to Mr. Thomas in connection with the new employment agreement. The first of these awards, for up to 472,500 shares, is in lieu of any cash bonus. For each calendar year during the term of the agreement, up to 94,500 shares will be earned, contingent upon Mr. Thomas' continued employment through 1999, subject to acceleration in the event of death, disability, a "change in control" of FFMC and certain other circumstances. The number of shares earned for any year will be equal to 2 1/2% of the pretax income of FFMC, divided by the then current market price of FFMC Common Stock. If the full 94,500 shares is not earned in any year or years, the difference between the number of shares earned and 94,500 will be forfeited. The vesting of the second of these awards, for 500,000 shares, is contingent upon FFMC's attainment of a performance goal and continued employment through 1999.

The value of these awards is adjusted using closing prices of the Company's common stock on balance sheet dates through the date of measurement for the FFMC performance goal. The Company has assumed that the performance goal will be attained and that the maximum number of shares will be earned in each calendar year during the term of the contract. The value of these awards is being amortized to expense on a straight-line basis from the grant date over the restriction period.

FIRST FINANCIAL MANAGEMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
(UNAUDITED)

4. Earnings per share amounts are computed by dividing income amounts by the weighted average number of common and common equivalent shares (when dilutive) outstanding during the period. Common stock equivalents consist of shares issuable under the Company's stock

option plans and in connection with outstanding warrants. Weighted average shares used in earnings per share computations were 61,622,000 shares and 60,588,000 shares, respectively, for the quarters ended March 31, 1994 and 1993.

7

8

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

FFMC reported net income of \$27.5 million for the first quarter of 1994, an increase of 28% from the \$21.5 million in the first three months of 1993. Revenues were \$432.9 million, or 24% higher than the \$348.5 in revenues from the first quarter of 1993. Earnings per share increased 29% to \$.45 per share in 1994's first quarter from the \$.35 per share reported in the year earlier period.

Record new business signed in the latter half of 1993, assimilation of acquisitions completed in 1993, and a strong consumer driven economy contributed to the Company's revenue growth. Internal revenue growth approximating 16% was the principal component of the 24% increase in 1994 first quarter revenues over the same quarter in 1993. This strong internal growth continues as 15,000 new customers were added during the first quarter of 1994, the majority of which occurred in FFMC's merchant services area.

Expenses grew at a percentage increase slightly less than the revenue increase. Despite continued emphasis on expense control, operating expenses increased 28% as revenue increases occurred at a faster rate in business areas which enjoy improving margins, but which have margins lower than the overall company enjoys. Continued emphasis on expense control is evident in the general and administrative category which increased only 2% in the first quarter of 1994 compared with the same period in 1993. As a result of proceeds from sales of businesses in 1993 and strong cash flow, the Company moved from a net interest expense position in the first quarter of 1993 of \$1.3 million to net interest income of \$1.2 million in 1994.

The combination of these revenue and expense changes produced a pretax margin of 11.0% in the first quarter of 1994, up from the 10.5% reported for the first quarter of 1993.

The Company's effective tax rate for the quarter ended March 31, 1994 was 42%, up slightly from the 41.3% effective tax rate during 1993's first quarter. The increase in the effective tax rate is due primarily to the pooling-of-interests accounting treatment of a 1993 merger with a Subchapter S Corporation, which had previously recorded taxes at the shareholder level.

FFMC's business is not seasonal, except that its revenues, earnings and margins are favorably affected in the fourth quarter, primarily by increased merchant credit card and check volume during the holiday season.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Capital Resources and Liquidity

Cash generated from operating activities for the first three months of 1994 totalled \$72.6 million, compared with \$65.8 million generated in 1993's first quarter. This increase was due primarily to increased earnings in 1994's first quarter over the first three months of 1993.

Amounts reinvested in existing businesses, principally for property and equipment additions, software development and customer conversions, totalled \$19.4 million in 1994 compared with \$15.1 million during 1993's first quarter. The increase is due primarily to higher first quarter 1994 spending on software development activities in FFMC's health claims processing business. The Company anticipates that the level of these capital expenditures in its existing businesses for the full year 1994 will be similar to the total for the year ended December 31, 1993.

Cash from operating activities exceeded reinvestments in existing businesses by \$53.2 million in 1994's first quarter, slightly above the \$50.7 million excess for the first three months of 1993. Remaining excess cash generated in 1994's first quarter was utilized to fund \$51.1 million in payments related to current and prior year acquisitions.

FFMC currently has available lines of credit of \$460 million; no borrowings were outstanding under these arrangements at March 31, 1994.

On January 3, 1994, FFMC paid a cash dividend of \$.05 per share to shareholders of record as of December 1, 1993 that was declared by the Company's Board of Directors on October 27, 1993. On April 27, 1994, the Company's Board of Directors declared a cash dividend of \$.05 per share, payable on July 1, 1994 to FFMC's shareholders of record as of June 1, 1994.

FFMC's cash and cash equivalents of \$182.0 million at March 31, 1994, except for cash and cash equivalents in its credit card bank (currently \$88.5 million), are available for acquisitions and general corporate purposes. If suitable opportunities arise for additional acquisitions, the Company may use cash, draw on its available credit facilities, or use common stock or other securities as payment of all or part of the consideration for such acquisitions or FFMC may seek additional funds in the equity or debt markets. The Company believes that its current level of cash and future cash flows from operations are sufficient to meet the needs of its existing businesses.

PART II. OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On April 27, 1994, at the annual shareholders' meeting for which proxies were solicited pursuant to Regulation 14A, the Company's shareholders voted to elect all eight of the Company's nominees to the Company's Board of Directors. The following table shows the number of votes cast for each nominee and the number of votes withheld as to each nominee. There were no abstentions or broker non-votes as to any nominee, and there were no nominees other than those named in the Company's proxy statement.

NAME OF NOMINEE	AFFIRMATIVE VOTES	VOTES WITHHELD
Patrick H. Thomas	47,156,411	230,258
George L. Cohen	47,158,197	229,472
Robert E. Coleman	47,215,840	170,829
Jack R. Kelly, Jr.	47,216,912	169,757
Henry A. Leslie	47,151,294	235,375
M. Tarlton Pittard	47,157,297	229,372
Charles B. Presley	47,210,794	175,875
Virgil R. Williams	47,156,736	229,933

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

3.1 Restated Articles of Incorporation of First Financial Management Corporation.

(b) Reports on Form 8-K

The Company did not file any current report on Form 8-K during the quarter ended March 31, 1994.

10

11

SIGNATURES

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

FIRST FINANCIAL MANAGEMENT CORPORATION

(Registrant)

Date: May 13, 1994

By /s/ M. Tarlton Pittard

M. Tarlton Pittard

Date: May 13, 1994

By /s/ Richard Macchia

Richard Macchia
Executive Vice President
and Principal Accounting Officer

11

12

INDEX OF EXHIBITS

Exhibits -----		Sequentially Numbered Page -----
3.1	Restated Articles of Incorporation of First Financial Management Corporation.	13

12

RESTATED
ARTICLES OF INCORPORATION
OF
FIRST FINANCIAL MANAGEMENT CORPORATION

On April 27, 1994, the Board of Directors of FIRST FINANCIAL MANAGEMENT CORPORATION adopted and authorized the following Restated Articles of Incorporation:

I.

The name of the Corporation is "First Financial Management Corporation."

II.

The Corporation is organized pursuant to the provisions of the Georgia Business Corporation Code.

III.

The Corporation shall have perpetual duration.

IV.

The Corporation is a corporation for profit and is organized for the following purposes: to provide data processing and data transmission services to financial institutions and other persons or entities desiring such services; to sell, lease, license or otherwise provide software, data bases, equipment, computer capacity and facilities management services in connection with data processing and data transmission services or otherwise; to provide consulting services to financial institutions and others in connection with the processing, transmission and management of data and financial transactions or otherwise; to engage in any lawful act or activities related to or incidental to any of the foregoing; and to engage in any lawful act or activities for which corporations may be organized under the Georgia Business Corporation Code, as now or hereafter in effect.

V.

The Corporation shall have authority, acting by the Board of Directors, to issue not more than One Hundred Fifty-Five Million (155,000,000) shares divided into classes as follows:

- A. One Hundred Fifty Million (150,000,000) shares shall be common shares of the par value of ten cents (\$.10) each ("Common Stock"). All shares of Common Stock shall be one and the same class and when issued shall have equal rights of participation in dividends and assets of the Corporation and shall be nonassessable. Each outstanding share of Common Stock shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders.
- B. Five Million (5,000,000) shares shall be preferred shares of the par value of one dollar (\$1.00) each ("Preferred Stock").
 - 1. The Board of Directors is hereby authorized to issue the Preferred Stock from time to time in one or more series, which Preferred Stock shall be preferred to the Common Stock as to dividends and distribution of assets of the Corporation on dissolution, as hereinafter provided, and shall have such distinctive designations as may be stated in the resolution or resolutions providing for the issue of such stock adopted by the Board of Directors. In such resolution or resolutions providing for the issuance of shares of each particular series, the Board of Directors is hereby expressly authorized and empowered to fix the number of shares constituting such series and to fix the relative rights and preference of the shares of the series so established to the full extent allowable by law except insofar as such rights and preferences are fixed herein. Such authorization in the Board of Directors shall expressly include the authority to fix and determine the relative rights and preferences of such shares in the following respects:
 - (a) the rate of dividend, the times of payment and the date from which dividends shall be accumulated, if dividends are to be cumulative;
 - (b) whether shares can be redeemed and, if so, the redemption price and terms and conditions of redemption;

- (c) the amount payable upon shares in the event of voluntary and involuntary liquidation;
- (d) purchase, retirement or sinking fund provisions, if any, for the redemption or purchase of shares;
- (e) the terms and conditions, if any, on which shares may be converted into Common Stock or any other securities; and

14

3

- (f) whether or not shares have voting rights and the extent of such voting rights, if any.

All shares of Preferred Stock shall be of equal rank and shall be identical, except in respect to the particulars that may be fixed by the Board of Directors as hereinabove provided in this paragraph and which may vary among the series. Different series of the Preferred Stock shall not be construed to constitute different classes of stock for the purpose of voting by classes, except when such voting by classes is expressly required by law.

2. The holders of Preferred Stock are entitled to receive, when and as declared by the Board of Directors, but only from funds legally available for the payment of dividends, cash dividends at the annual rate for each particular series as theretofore fixed and determined by the Board of Directors as hereinbefore authorized, and no more; such dividends to be payable before any dividend on Common Stock shall be paid or set apart for payment. Arrearages in the payment of dividends shall not bear interest.
3. In the event of any dissolution, liquidation or winding up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation, the holders of each series of Preferred Stock shall be entitled to receive, out of the net assets of the Corporation, an amount in cash for each share equal to the amount fixed and determined by the Board of Directors in any resolution providing for the issue of any particular series of Preferred Stock, plus an amount equal to any dividends payable to such holder which are then unpaid, either under the provisions of the resolution of the Board of Directors providing for the issue of such series of Preferred Stock or by declaration of

the Board of Directors, on each such share up to the date fixed for distribution, and no more, before any distribution shall be made to the holders of Common Stock. Neither the merger or consolidation of the Corporation, nor the sale, lease or conveyance of all or a part of its assets, shall be deemed to be a liquidation, dissolution or winding up of the affairs of the Corporation.

- C. No holders of shares of the Corporation of any class or series shall be entitled, as a matter of right, to any preemptive right to subscribe for or purchase any shares of any class or series, whether now or hereafter authorized, any options or rights to purchase any such shares, or any bonds, debentures or other securities of the Corporation, whether or not convertible into or carrying an option to purchase any such shares.
- D. Any shares of the Corporation reacquired by the Corporation shall become treasury shares.

15

4

VI.

Shareholders of the Corporation shall have no preemptive rights to acquire additional shares of the Corporation.

VII.

The Corporation shall have the power to carry on any lawful business permitted under the Georgia Business Corporation Code. In addition to, but not in limitation of, the general powers conferred by law, the Corporation shall have the power to make distributions to its shareholders out of its capital surplus and to purchase its own shares out of this unreserved and unrestricted capital surplus available therefore.

VIII.

A director of this Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for breach of the duty of care or other duty as a director, except: (a) for any appropriation, in violation of his duties, of any business opportunity of the Corporation, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) for any type of liability set forth in Section 14-2-154 of the Official Code of Georgia Annotated, or (d) for any transaction from which the director derived any improper personal benefit.

This Article VIII does not eliminate or limit the liability of a director for any act or omission occurring prior to the date this Article VIII becomes effective. If the Official Code of Georgia Annotated is amended after approval by the shareholders of this Article VIII to further eliminate or limit the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Official Code of Georgia Annotated, as so amended.

Any repeal or modification of the foregoing paragraph by the shareholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

.

The foregoing Restated Articles of Incorporation (i) include those amendments to the previous Restated Articles of Incorporation (which were adopted on February 4, 1983), and which amendments were adopted on May 13, 1986; June 26, 1987; July 1, 1987; February 14, 1990; May 9, 1990; and March 27, 1992 (as corrected by Articles of Correction filed on October 5, 1993) respectively and (ii) except for those deletions permitted by Section 14-2-196 of the Georgia Business Corporation Code, otherwise purport merely to restate and not to change the other provisions of the previous Restated Articles of Incorporation not being amended by such new amendments.

5

The foregoing Restated Articles of Incorporation were duly approved by the Board of Directors of the Corporation in accordance with the provisions of Section 14-2-1007 of the Georgia Business Corporation Code. Shareholder action was not required.

The foregoing Restated Articles of Incorporation supersede the Restated Articles of Incorporation adopted on February 4, 1983, as amended on May 13, 1986; June 26, 1987; July 1, 1987; February 14, 1990; May 9, 1990; and March 27, 1992, respectively, and as corrected on October 5, 1993.

IN WITNESS WHEREOF, First Financial Management Corporation has caused these Restated Articles of Incorporation to be executed and its corporate seal to be affixed and has caused the foregoing to be attested all by its duly authorized officers, on this 27th day of April 1994.

FIRST FINANCIAL
MANAGEMENT CORPORATION

By: /s/ Randolph L.M. Hutto

Randolph L.M. Hutto
Executive Vice President &
General Counsel

ATTEST:

[CORPORATE SEAL]

/s/ Barry W. Burt

Barry W. Burt
Assistant Secretary