FORM 8-K

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PAYMENTECH INC

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): March 23, 1999
(March 22, 1999)

PAYMENTECH, INC.
(Exact name of registrant as specified in its charter)

Delaware	1-14224	75-2634185
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1601 Elm Street, 9th Floor, Dallas, Texas	75201
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number including area code: (214) 849-2149

Not Applicable
(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.

On March 22, 1999, Paymentech, Inc. (the "Company") issued a press release announcing that it had entered into a Merger Agreement with First Data Corporation ("FDC") providing for the acquisition by FDC of all of the outstanding shares of the Company's common stock (the "Shares"), other than Shares owned by Bank One Corporation ("Bank One") and its

subsidiaries, at a price of $25.50 per Share in cash.

Pursuant to the Merger Agreement, among other things, a newly-formed subsidiary of FDC will be merged with and into the Company (the "Merger"), with the Company continuing as the surviving corporation. As a result of the Merger, all of the issued and outstanding Shares (other than Shares owned by the Company, FDC, Bank One or any of their respective subsidiaries) will be converted into the right to receive $25.50 in cash per Share. Consummation of the Merger is conditioned upon, among other things, approval of the Merger by holders of a majority of the outstanding Shares, including at least 66 2/3% of the outstanding Shares not owned by Bank One or its affiliates, antitrust and other regulatory approvals and certain other conditions. Merrill Lynch, Pierce, Fenner & Smith Incorporated is acting as financial advisor to the Company and has rendered a fairness opinion to the Company in connection with the Merger. It is anticipated that the transaction could be completed during the third calendar quarter, although no assurance can be given that the Merger Agreement will result in a transaction.

Concurrently with the execution of the Merger Agreement, FDC, Bank One and certain of their subsidiaries entered into a Stockholder Agreement, pursuant to which, among other things, Bank One and FDC have agreed to combine their ownership interest in the Company following the Merger and Bank One has agreed to vote its Shares in favor of the Merger.

Following completion of the Merger, pursuant to a Contribution Agreement entered into between FDC and Bank One, the Company will contribute substantially all of its assets, liabilities and businesses to Banc One Payment Services LLC, the existing merchant bank alliance between Bank One and FDC.

In addition, on March 22, 1999, the Company and First Data Merchant Services Corporation, a wholly owned subsidiary of FDC ("FDMS"), announced the execution of a definitive Processing Agreement pursuant to which the Company will outsource to FDMS certain processing functions for the Company's general merchant acquiring business.

The foregoing description of the Merger Agreement, the Stockholder Agreement, the Contribution Agreement and the Company's March 22, 1999 press release is qualified in its entirety to the copies of such agreements and the press release which are filed as exhibits hereto and incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) Exhibits.

Exhibit No.	Exhibit

2.1	Agreement and Plan of Merger among the Company, FDC and FB Merging Corporation, dated as of March 22, 1999
10.1	Stockholder Agreement among FDC, FDC Offer Corporation, FB Merging Corporation, Bank One and First USA Financial, Inc., dated as of March 22, 1999
10.2	Contribution Agreement between FDC and Bank One, dated as of March 22, 1999 (without Exhibits)
99.1	Press Release issued by the Company on March 22, 1999

SIGNATURES

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

PAYMENTECH, INC.

By: /s/ Philip E. Taken

Name: Philip E. Taken
Title: Chief Administrative Officer and General Counsel

Date: March 23, 1999

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99.1 Press Release issued by the Company on March 22, 1999

EXHIBIT 2.1

EXECUTION COPY

AGREEMENT AND PLAN OF MERGER

AMONG

FIRST DATA CORPORATION

FB MERGING CORPORATION

AND

PAYMENTECH, INC.

DATED AS OF MARCH 22, 1999

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of March 22, 1999 (this "Agreement"), among First Data Corporation, a Delaware corporation ("Parent"), FB Merging Corporation, a Delaware corporation ("Merger Sub") and a wholly-owned subsidiary of FDC Offer Corporation, which in turn is a Delaware corporation ("Holdco") and a wholly-owned subsidiary of Parent, and Paymentech, Inc., a Delaware corporation (the "Company") (Merger Sub and the Company being hereinafter collectively referred to as the "Constituent Corporations").

W I T N E S S E T H:

WHEREAS, BANK ONE CORPORATION, a Delaware corporation ("Bank One"), through its wholly-owned subsidiary First USA Financial, Inc., a Delaware corporation ("First USA"), owns an aggregate of 19,979,081 shares of Common Stock, par value $.01 per share, of the Company (the "Company Common Stock"; shares of Company Common Stock being hereinafter referred to as the "Shares");

WHEREAS, the respective Boards of Directors of Parent, Merger Sub and the Company have approved and declared advisable this Agreement and the transactions contemplated hereby, including the merger of Merger Sub into the Company (the "Merger"), upon the terms and subject to the conditions set forth herein, whereby each issued and outstanding Share not owned directly or indirectly by Parent, Bank One, the Company or any of their Subsidiaries (including, without limitation, Merger Sub) (other than such Shares held by Parent, Bank One, the Company or any of their Subsidiaries in a fiduciary, collateral, custodial or similar capacity which will be converted) will be converted into the right to receive from the Surviving Corporation (as hereinafter defined) in cash, without interest $25.50 per Share (the "Merger Consideration") and the respective Boards of Directors of Merger Sub and the Company have approved and declared advisable this Agreement;

WHEREAS, in order to induce Parent and Merger Sub to enter into this Agreement, concurrently herewith Parent, Holdco, Merger Sub, Bank One and First USA are entering into a Stockholder Agreement dated as of the date hereof (the "Stockholder Agreement") in the form of the attached

Exhibit A whereby, among other things, First USA has agreed to contribute to Holdco the Shares it owns in exchange for shares of capital stock of Holdco and to vote in favor of the adoption of this Agreement;

WHEREAS, pursuant to the Stockholder Agreement, Parent has agreed to contribute to Holdco sufficient cash to pay the aggregate Merger Consideration in accordance with Section 1.6 in exchange for shares of capital stock of Holdco, and each of Parent and First USA has agreed to cause Holdco to contribute to Merger Sub all of the Shares it receives from First USA and all of the cash it receives from Parent pursuant to the Stockholder Agreement; and

WHEREAS, Parent has entered into a Contribution Agreement dated as of the date hereof (the "Contribution Agreement") with Bank One in the form of the attached Exhibit B which provides, among other things, that following the Merger Parent and Bank One, through Holdco, will cause substantially all of the assets and liabilities and business of the Company, as the Surviving Corporation (as hereinafter defined), to be contributed to Bank One Payment Services, L.L.C., a Delaware limited liability company and an alliance between wholly-owned subsidiaries of Parent and Bank One (the "Alliance"), in exchange for the issuance to the Surviving Corporation of a membership interest in the Alliance.

NOW, THEREFORE, in consideration of the premises, representations, warranties and agreements herein contained, the parties agree as follows:

ARTICLE I

THE MERGER

Section 1.1 Contributions of Cash and Shares to Holdco. Pursuant to the Stockholder Agreement, immediately prior to the transfers referred to in the last sentence of this Section 1.1, Parent will contribute to Holdco cash in the amount necessary for the payment of the aggregate Merger Consideration pursuant to Section 1.6, and simultaneously therewith First USA will contribute to Holdco all of the Shares it owns (other than such Shares held in a fiduciary, collateral, custodial or similar capacity), in each case in exchange for shares of common stock of Holdco. At that time each of Parent, Bank One and First USA will execute that certain stockholder agreement relating to the governance of Holdco and the Company. Immediately following such transfers and immediately prior to the Effective Time each of Parent and First USA will cause Holdco to contribute to Merger Sub all of the Shares it receives from First USA and all of the cash it receives from Parent in exchange for shares of capital stock of Merger Sub (in an amount to be agreed upon between Parent and First USA).

Section 1.2 The Merger. Upon the terms and subject to the conditions hereof, and in accordance with the General Corporation Law of the State of Delaware, as amended (the "DGCL"), Merger Sub shall be merged

into the Company at the Effective Time (as hereinafter defined). Following the Merger, the separate corporate existence of Merger Sub shall cease and the Company shall continue as the surviving corporation (the "Surviving Corporation") and shall succeed to and assume all the rights and obligations of Merger Sub and the Company in accordance with the DGCL. Notwithstanding anything to the contrary herein, at the joint election of Parent and Bank One, any direct or indirect jointly-owned Subsidiary (as hereinafter defined) of Parent and Bank One may be substituted for Merger Sub as a constituent corporation in the Merger. In such event, the parties agree to execute an appropriate amendment to this Agreement, in form and substance reasonably satisfactory to Parent, Bank One and the Company, in order to reflect such substitution; provided, however, that no such substitution shall (i) alter or change the amount or kind of consideration to be received by the holders of Shares in the Merger or (ii) materially delay receipt of any approval referred to in this Agreement or the consummation of the transactions contemplated hereby.

Section 1.3 Effective Time. The Merger shall become effective when a certificate of merger (the "Certificate of Merger"), executed in accordance with the relevant provisions of the DGCL, is filed with the Secretary of State of the State of Delaware, or at such other time as Merger Sub and the Company shall agree and as specified in the Certificate of Merger. When used in this Agreement, the term "Effective Time" shall mean the later of the date and time at which the Certificate of Merger is duly filed with the Secretary of State of the State of Delaware or such later time established by the Certificate of Merger. The filing of the Certificate of Merger shall be made prior to or on the date of the Closing (as hereinafter defined).

Section 1.4 Effects of the Merger. The Merger shall have the effects set forth in the applicable provisions of the DGCL.

Section 1.5 Charter and By-laws; Directors and Officers. (a) At the Effective Time, the Certificate of Incorporation of the Company, as amended (the "Company Charter"), as further amended to read in its entirety as indicated on the attached Exhibit C, shall be the Certificate of Incorporation of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law. At the Effective Time, the By-laws of Merger Sub, as in effect immediately prior to the Effective Time, shall be the By-laws of the Surviving Corporation until thereafter changed or amended as provided therein or by the Company Charter.

(b) The directors of Merger Sub at the Effective Time of the Merger shall be the directors of the Surviving Corporation, until the earlier of their resignation or removal or until their respective successors are duly elected and qualified, as the case may be. The officers of the Company at the Effective Time of the Merger shall be the officers of the Surviving Corporation, until the earlier of their resignation or removal or until their respective successors are duly elected and qualified, as the case may be.

Section 1.6 Conversion of Securities. As of the Effective Time, by virtue of the Merger and without any action on the part of Merger Sub, the Company or the holders of any securities of the Constituent Corporations:

(a) Capital Stock of Merger Sub. Each issued and outstanding share of common stock of Merger Sub shall be converted into one validly issued, fully paid and nonassessable share of common stock of the Surviving Corporation.

(b) Treasury Shares, Parent Owned Shares, Bank One Shares. All Shares that are held in the treasury of the Company or by any wholly-owned Subsidiary of the Company and any Shares owned by Parent, Bank One or Merger Sub or by any wholly-owned Subsidiary of Parent or Bank One (other than such Shares held in a fiduciary, collateral, custodial or similar capacity) shall be canceled and no capital stock of Parent or other consideration shall be delivered in exchange therefor.

(c) Conversion of Shares. Each Share issued and outstanding immediately prior to the Effective Time (other than shares to be canceled in accordance with Section 1.6(b) and other than Dissenting Shares (as hereinafter defined)) shall be converted into the right to receive from the Surviving Corporation the Merger Consideration. All such Shares, when so converted, shall no longer be outstanding and shall automatically be canceled and retired and each holder of a certificate representing any such Shares shall cease to have any rights with respect thereto, except the right to receive the Merger Consideration, less any applicable withholding taxes, upon surrender of the Certificate (as hereinafter defined) that formerly evidenced such Shares in the manner provided in Section 1.7.

(d) Shares of Dissenting Stockholders. Notwithstanding anything in this Agreement to the contrary, any issued and outstanding Shares held by a person (a "Dissenting Stockholder") who has not voted in favor of the Merger or consented thereto in writing and who shall have demanded properly in writing appraisal for such Shares in accordance with Section 262 of the DGCL and otherwise complies with all of the provisions of the DGCL concerning the right of holders of Shares to require appraisal of their Shares ("Dissenting Shares") shall not be converted into or represent the right to receive the Merger Consideration, unless such stockholder fails to perfect or withdraws or loses its right to appraisal. Such stockholders shall be entitled to receive payment of the appraised value of such Shares held by them in accordance with the provisions of such Section 262, except that all Dissenting Shares held by stockholders who shall have failed to perfect or who effectively shall have withdrawn or lost their rights to appraisal of such Shares under such Section 262 shall thereupon be deemed to have been converted into and to have become exchangeable for, as of the Effective Time, the right to receive the Merger Consideration, without any interest or dividends thereon, upon surrender of the Certificate or Certificates that formerly evidenced

such Shares in the manner provided in Section 1.7. The Company shall give Parent and Bank One (i) prompt notice of any demands for payment received by the Company, withdrawals of such demands and any other instruments served pursuant to the DGCL and received by the Company and (ii) the opportunity to participate in and direct all negotiations and proceedings with respect to any such demand for appraisal under the DGCL. The Company shall not, without the prior written consent of Parent and Bank One, voluntarily make any payment with respect to, or settle, offer to settle or otherwise negotiate, any such demands.

Section 1.7 Exchange of Certificates. (a) Paying Agent. Prior to the Effective Time, Parent shall designate First Chicago Trust Company of New York (or such other person or persons as shall be reasonably acceptable to Parent, Bank One and the Company) to act as paying agent in the Merger (the "Paying Agent"), and at the Effective Time, Merger Sub shall make available to the Paying Agent cash in the amount necessary for the payment of the Merger Consideration upon surrender of certificates representing Shares as part of the Merger pursuant to this Section 1.7. Any and all interest earned on funds made available to the Paying Agent pursuant to this Agreement shall be paid over to Parent.

(b) Exchange Procedure. As soon as reasonably practicable after the Effective Time, the Paying Agent shall mail to each holder of record of a certificate or certificates that immediately prior to the Effective Time represented Shares (the "Certificates"), (i) a letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to the Paying Agent and shall be in a form and have such other provisions as Parent may reasonably specify) and (ii) instructions for use in effecting the surrender of the Certificates in exchange for the Merger Consideration. Upon surrender of a Certificate for cancellation to the Paying Agent or to such other agent or agents as may be appointed by Parent, together with such letter of transmittal, duly executed, and such other documents as may reasonably be required by the Paying Agent, the holder of such Certificate shall be entitled to receive in exchange therefor the amount of cash into which the Shares theretofore represented by such Certificate shall have been converted pursuant to Section 1.6, and the Certificate so surrendered shall forthwith be canceled. In the event of a transfer of ownership of Shares that is not registered in the transfer records of the Company, payment may be made to a person other than the person in whose name the Certificate so surrendered is registered, if such Certificate shall be properly endorsed or otherwise be in proper form for transfer and the person requesting such payment shall pay any transfer or other taxes required by reason of the payment to a person other than the registered holder of such Certificate or establish to the satisfaction of the Surviving Corporation that such tax has been paid or is not applicable. Until surrendered as contemplated by this Section 1.7, each Certificate (other than Certificates representing Dissenting Shares) shall be deemed at any time after the Effective Time to represent only the right to receive upon such surrender the amount of cash, without interest, into which the Shares theretofore represented by such Certificate shall have been

converted pursuant to Section 1.6. No interest will be paid or will accrue on the cash payable upon the surrender of any Certificate. Parent or the Paying Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement such amounts as Parent or the Paying Agent is required to deduct and withhold with respect to the making of such payment under the Code (as hereinafter defined) or under any provisions of state, local or foreign tax law. To the extent that amounts are so withheld by Parent or the Paying Agent, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the person in respect of which such deduction or withholding was made by the Parent or the Paying Agent and any such amounts deducted or withheld shall be promptly and timely paid by Parent or the Paying Agent to the appropriate taxing authority.

(c) No Further Ownership Rights in Shares. All cash paid upon the surrender of Certificates in accordance with the terms of this Article I shall be deemed to have been paid in full satisfaction of all rights pertaining to the Shares theretofore represented by such Certificates. At the Effective Time, the stock transfer books of the Company shall be closed, and there shall be no further registration of transfers on the stock transfer books of the Surviving Corporation of the Shares that were outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates are presented to the Surviving Corporation or the Paying Agent for any reason, they shall be canceled and exchanged as provided in this Article I.

(d) Termination of Payment Fund. Any portion of the funds made available to the Paying Agent to pay the Merger Consideration which remains undistributed to the holders of Shares for six months after the Effective Time shall be delivered to Parent, upon demand, and any holders of Shares who have not theretofore complied with this Article I and the instructions set forth in the letter of transmittal mailed to such holders after the Effective Time shall thereafter look only to Parent for payment of the Merger Consideration to which they are entitled, without interest or dividends.

(e) No Liability. None of Parent, Holdco, Merger Sub, the Company or the Paying Agent shall be liable to any person in respect of any cash delivered to a public official pursuant to any applicable abandoned property, escheat or similar law. If any Certificates shall not have been surrendered prior to seven years after the Effective Time (or immediately prior to such earlier date on which any payment pursuant to this Article I would otherwise escheat to or become the property of any Governmental Entity (as hereinafter defined)), the cash payment in respect of such Certificate shall, to the extent permitted by applicable law, become the property of the Surviving Corporation, free and clear of all claims or interests of any person previously entitled thereto.

(f) Lost, Stolen or Destroyed Certificates. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen or

destroyed and, if required by Parent or the Paying Agent, the posting by such person of a bond, in such reasonable amount as Parent or the Paying Agent may direct as indemnity against any claim that may be made against them with respect to such Certificate, the Paying Agent will pay in exchange for such lost, stolen or destroyed Certificate the amount of cash to which the holders thereof are entitled pursuant to Section 1.6.

Section 1.8 Further Assurances. If at any time after the Effective Time the Surviving Corporation shall consider or be advised that any deeds, bills of sale, assignments or assurances or any other acts or things are necessary, desirable or proper (a) to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation its right, title or interest in, to or under any of the rights, privileges, powers, franchises, properties or assets of either of the Constituent Corporations, or (b) otherwise to carry out the purposes of this Agreement, the Surviving Corporation and its proper officers and directors or their designees shall be authorized to execute and deliver, in the name and on behalf of either of the Constituent Corporations, all such deeds, bills of sale, assignments and assurances and to do, in the name and on behalf of either Constituent Corporation, all such other acts and things as may be necessary, desirable or proper to vest, perfect or confirm the Surviving Corporation's right, title or interest in, to or under any of the rights, privileges, powers, franchises, properties or assets of such Constituent Corporation and otherwise to carry out the purposes of this Agreement.

Section 1.9 Closing. The closing of the Merger (the "Closing") and all actions specified in this Agreement to occur at the Closing shall take place at the offices of Sidley & Austin, One First National Plaza, Chicago, Illinois 60603, at 10:00 a.m., local time, no later than the second business day following the day on which the last of the conditions set forth in Article VI shall have been fulfilled or waived (if permissible) or at such other time and place as Parent and the Company shall agree.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Parent and Merger Sub represent and warrant to the Company as follows:

Section 2.1 Organization. Each of Parent, Holdco and Merger Sub is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all requisite corporate power and authority to carry on its business as now being conducted except where the failure to be so organized, existing or in good standing or to have such power or authority would not, individually or in the aggregate, have a Material Adverse Effect on Parent.

Section 2.2 Authority. On or prior to the date of this

Agreement, the Boards of Directors of Parent and Merger Sub have declared the Merger advisable and the Board of Directors of Merger Sub has approved this Agreement in accordance with the DGCL. Each of Parent and Merger Sub has all requisite power and authority to execute and deliver this Agreement, the Stockholder Agreement and the Contribution Agreement, and each of Parent and Merger Sub has all requisite corporate power and authority to consummate the transactions contemplated hereby and thereby, as applicable. The execution, delivery and performance by Parent and Merger Sub of this Agreement, the Stockholder Agreement and the Contribution Agreement, as applicable, and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action (including Board action) on the part of Parent and Merger Sub and no other corporate proceedings on the part of Parent or Merger Sub or their respective Boards of Directors are necessary to authorize and approve this Agreement (or the Stockholder Agreement or Contribution Agreement, as applicable) or to consummate the transactions contemplated hereby and thereby, as applicable, other than, in the case of this Agreement, the filing of the Certificate of Merger as required by the DGCL. Each of the Agreement, the Stockholder Agreement and the Contribution Agreement has been duly executed and delivered by Parent, Holdco and Merger Sub, as applicable, and (assuming the valid authorization, execution and delivery of this Agreement by the Company, the valid authorization, execution and delivery of the Stockholder Agreement by Bank One and First USA, the valid authorization, execution and delivery of the Contribution Agreement by Bank One and the validity and binding effect hereof and thereof on the Company and Bank One and First USA, as applicable) this Agreement, the Stockholder Agreement and the Contribution Agreement constitute the valid and binding obligation of each of Parent, Holdco and Merger Sub that is a party thereto, enforceable against them in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting or relating to the enforcement of creditors' rights generally, and by general equitable principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

Section 2.3 Consents and Approvals; No Violations. Assuming that all consents, approvals, authorizations and other actions described in this Section 2.3 have been obtained and all filings and obligations described in this Section 2.3 have been made, the execution and delivery of this Agreement, the Stockholder Agreement and the Contribution Agreement do not, and the consummation of the transactions contemplated hereby and thereby and compliance with the provisions hereof and thereof will not, result in any violation of, or default (with or without notice or lapse of time, or both) under, or give to others a right of termination, cancellation or acceleration of any obligation or result in the loss of a material benefit under, or result in the creation of any Lien (as hereinafter defined) upon any of the properties or assets of Parent or any of its Subsidiaries under, any provision of (i) the Certificate of Incorporation or the By-Laws of Parent, each as amended to date, (ii) any provision of the comparable charter or organization documents of any of Parent's Subsidiaries, (iii) any loan or credit agreement, note, bond,

mortgage, indenture, lease or other agreement, instrument, permit, concession, franchise or license applicable to Parent or any of its Subsidiaries or (iv) any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Parent or any of its Subsidiaries or any of their respective properties or assets, other than, in the case of clauses (iii) or (iv), any such violations, defaults, rights or Liens that, individually or in the aggregate, would not have a Material Adverse Effect on Parent, materially impair the ability of Parent, Holdco or Merger Sub to perform their respective obligations hereunder or under the Stockholder Agreement or prevent or materially delay the consummation of any of the transactions contemplated hereby or thereby. No filing or registration with, or authorization, consent or approval of, any domestic (federal and state), foreign or supranational court, commission, governmental body, regulatory agency, authority or tribunal (each, a "Governmental Entity"), Card Association or other Person is required by or with respect to Parent or any of its Subsidiaries in connection with the execution and delivery of this Agreement or the Stockholder Agreement by Parent, Holdco or Merger Sub or is necessary for the consummation of the Merger and the other transactions contemplated by this Agreement or the Stockholder Agreement, except (i) in connection, or in compliance, with the provisions of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and the Exchange Act, (ii) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware and appropriate documents with the relevant authorities of other states in which the Company or any of its Subsidiaries is qualified to do business, (iii) such filings and consents as may be required under any environmental, health or safety law or regulation pertaining to any notification, disclosure or required approval triggered by the Merger or by the transactions contemplated by this Agreement, the Stockholder Agreement or the Contribution Agreement, (iv) such filings, authorizations, orders and approvals as may be required by state takeover laws (the "State Takeover Approvals"), (v) applicable requirements, if any, of state securities or "blue sky" laws ("Blue Sky Laws"), (vi) as may be required under foreign laws, (vii) such filings, authorizations and approvals under the Change in Bank Control Act, (viii) such filings, authorizations and approvals under Sections 7-1-701 through 7-1-716 and 7-8-3 through 7-8-20 of the Utah code (collectively, the "Utah Statute"), (ix) such filings, authorizations and approvals under Section 4 of the Bank Holding Company Act, and (x) such other consents, orders, authorizations, registrations, declarations and filings the failure of which to be obtained or made would not, individually or in the aggregate, have a Material Adverse Effect on Parent, materially impair the ability of Parent, Holdco or Merger Sub to perform its obligations hereunder or under the Stockholder Agreement or the Contribution Agreement or prevent or materially delay the consummation of any of the transactions contemplated hereby or thereby.

Section 2.4 Information Supplied. None of the information supplied or to be supplied by Parent, Holdco, or Merger Sub specifically for inclusion or incorporation by reference in (i) a Rule 13e-3 Transaction Statement pursuant to Rule 13e-3 (the "Schedule 13e-3") under the Securities Exchange Act of 1934, as amended (together with the rules and

regulations promulgated thereunder, the "Exchange Act"), or (ii) the proxy statement (together with any amendments or supplements thereto, the "Proxy Statement") relating to the adoption of this Agreement and approval of the Merger by the holders of a majority of the outstanding Shares, which majority shall, unless otherwise agreed by the Company, Parent and Bank One, include not less than 662/3% of the outstanding Shares not owned directly or indirectly by Bank One, Parent or their respective Affiliated Persons or associates including, without limitation, Holdco and Merger Sub (the "Company Stockholder Approval"), will (a) in the case of the Schedule 13e-3, at the time the Schedule 13e-3 is filed with the Securities and Exchange Commission ("SEC") or (b) in the case of the Proxy Statement, at the time the Proxy Statement is first mailed to the Company's stockholders or at the time of the Stockholder Meeting (as hereinafter defined), contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

Section 2.5 Financing. Parent has sufficient funds available for it to pay the aggregate Merger Consideration.

Section 2.6 Ownership of the Company's Capital Stock. Except for Shares held in a fiduciary or similar capacity, as of the date hereof, none of Parent, Holdco, Merger Sub or any Subsidiary of Parent (i) beneficially owns (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, or (ii) is a party to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of, in each case, shares of the capital stock of the Company.

Section 2.7 Brokers. No broker, investment banker, financial advisor or other person, other than Morgan Stanley Dean Witter & Co., the fees and expenses of which will be paid by Parent, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent, Holdco or Merger Sub.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to Parent and Merger Sub as follows:

Section 3.1 Organization, Standing and Power. The Company and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the requisite corporate power and authority to carry on its business as now being conducted, except where the failure to be so organized, existing or in good standing or to have such power or authority would not, individually or in the aggregate, have a Material Adverse Effect on the Company. The Company and each of its Subsidiaries are duly

qualified to do business, and are in good standing, in each jurisdiction where the character of their properties owned or held under lease or the nature of their activities makes such qualification necessary, except where the failure to be so qualified would not, individually or in the aggregate, have a Material Adverse Effect on the Company or materially delay the consummation of the Merger.

Section 3.2 Subsidiaries. Section 3.2 of the letter dated the date hereof and delivered on the date hereof by the Company to Parent, which relates to this Agreement and is designated therein as the Company Letter (the "Company Letter") lists each Subsidiary of the Company. All of the outstanding shares of capital stock of each such Subsidiary that is a corporation have been validly issued and are fully paid and nonassessable. Except as set forth in Section 3.2 of the Company Letter, all of the outstanding shares of capital stock of each Subsidiary of the Company are owned by the Company, by another Subsidiary of the Company or by the Company and another Subsidiary of the Company, free and clear of any and all mortgages, liens, encumbrances, charges, claims, restrictions, pledges, security interest or impositions (collectively, "Liens") and free and clear of all options, rights of first refusal, agreements or limitations on voting rights of any nature whatsoever. Except as set forth in Section 3.2 of the Company Letter and except for the capital stock of its Subsidiaries, the Company does not own, directly or indirectly, any capital stock or other ownership interest in any corporation, partnership, joint venture, limited liability company or other entity which is material to the business or financial position of the Company.

Section 3.3 Capital Structure. The authorized capital stock of the Company consists of 200,000,000 Shares and 10,000,000 shares of Preferred Stock, par value $.01 per share ("Company Preferred Stock"). At the close of business on January 30, 1999:

(i) 36,360,377 Shares were issued and outstanding, all of which were validly issued, fully paid and nonassessable and free of preemptive rights;

(ii) No shares of Company Preferred Stock were issued and outstanding;

(iii) No Shares were held in the treasury of the Company or by Subsidiaries of the Company;

(iv) 6,500,000 Shares were reserved for issuance in the aggregate upon the exercise of outstanding stock options issued under the Company's 1996 Amended and Restated Stock Option Plan, (the "Company Stock Option Plan");

(v) 400,000 Shares were reserved for issuance in the aggregate pursuant to the Company's Employee Stock Purchase Plan (the "Company Stock Purchase Plan"); and

(vi) 500,000 Shares were reserved for issuance in the aggregate pursuant to the Company's 1996 Restricted Stock Plan (the "Company Restricted Stock Plan").

Section 3.3 of the Company Letter contains a correct and complete list as of the date of this Agreement of each outstanding option to purchase shares of Company Common Stock issued under the Company Stock Option Plan (collectively, the "Company Stock Options"), including the holder, date of grant, exercise price and number of shares of Company Common Stock subject thereto and whether the option is vested and exercisable. Except for the Company Stock Options, the Company Stock Option Plan, the Company Stock Purchase Plan and the Company Restricted Stock Plan, there are no options, warrants, calls, rights or agreements to which the Company or any of its Subsidiaries is a party or by which any of them is bound obligating the Company or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock of the Company or any of its Subsidiaries or obligating the Company or any of its Subsidiaries to grant, extend or enter into any such option, warrant, call, right or agreement. Except as set forth in Section 3.3 of the Company Letter, there are no outstanding contractual obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of Company Common Stock or any capital stock of or any equity interests in any of the Company's Subsidiaries. The Company does not have any outstanding bonds, debentures, notes or other obligations the holders of which have the right to vote (or convertible into or exercisable for securities having the right to vote) with the stockholders of the Company on any matter.

Section 3.4 Authority. On or prior to the date of this Agreement, the Board of Directors of the Company has unanimously approved and declared the Merger Agreement advisable, approved this Agreement and the transactions contemplated hereby, including the Merger, in accordance with the DGCL, resolved to recommend the acceptance of the approval of this Agreement and the Merger by the Company's stockholders and directed that this Agreement be submitted to the Company's stockholders for approval. The Company has all requisite corporate power and authority to enter into this Agreement and, subject to approval by the stockholders of the Company of this Agreement and the Merger, to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the Merger and of the other transactions contemplated hereby have been duly authorized by all necessary corporate action (including Board action) on the part of the Company, and no other corporate proceedings on the part of the Company or its Board of Directors are necessary to authorize and approve this Agreement or to consummate the transactions contemplated hereby, other than (x) approval and adoption of this Agreement by the stockholders of the Company and (y) the filing of the Certificate of Merger as required by the DGCL. This Agreement has been duly executed and delivered by the Company and (assuming the valid authorization, execution and delivery of this Agreement by Parent and Merger Sub and the validity and binding effect of this Agreement on Parent and Merger Sub) constitutes the valid and binding

obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting or relating to the enforcement of creditors' rights generally, and by general equitable principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

Section 3.5 Consents and Approvals; No Violation. Assuming that all consents, approvals, authorizations and other actions described in this Section 3.5 have been obtained and all filings and obligations described in this Section 3.5 have been made, the execution, delivery or performance of this Agreement does not, and the consummation of the transactions contemplated hereby and compliance with the provisions hereof will not, result in any violation of, or default (with or without notice or lapse of time, or both) under, or give to others a right of termination, cancellation or acceleration of any obligation or result in the loss of a material benefit under, or result in the creation of any Lien, upon any of the properties or assets of the Company or any of its Subsidiaries under, any provision of (i) the Company Charter or the By-laws of the Company, (ii) any provision of the comparable charter or organization documents of any of the Company's Subsidiaries, (iii) except as set forth in Section 3.5 of the Company Letter, any loan or credit agreement, note, bond, mortgage, indenture, lease or other agreement, instrument, permit, concession, franchise or license (including any of the Company Merchant Contracts) applicable to the Company or any of its Subsidiaries or (iv) any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to the Company or any of its Subsidiaries or any of their respective properties or assets (including any of the Company Merchant Contracts), other than, in the case of clauses (iii) or (iv), any such violations, defaults, rights, or Liens that, individually or in the aggregate, would not have a Material Adverse Effect on the Company, materially impair the ability of the Company to perform its obligations hereunder or prevent or materially delay the consummation of any of the transactions contemplated hereby. No filing or registration with, or authorization, consent or approval of, any Governmental Entity, Card Association or any other Person is required by or with respect to the Company or any of its Subsidiaries in connection with the execution and delivery of this Agreement by the Company or is necessary for the consummation of the Merger, except (i) in connection, or in compliance, with the provisions of the HSR Act and the Exchange Act, (ii) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware and appropriate documents with the relevant authorities of other states in which the Company or any of its Subsidiaries is qualified to do business, (iii) such filings and consents as may be required under any environmental, health or safety law or regulation pertaining to any notification, disclosure or required approval triggered by the Merger or by the transactions contemplated by this Agreement, (iv) such filings, authorizations, orders and approvals as may be required to obtain the State Takeover Approvals, (v) applicable requirements, if any, of Blue Sky Laws or the New York Stock Exchange, (vi) as may be required under foreign laws, (vii) such filings, authorizations and approvals under the Change in Bank Control Act, (viii) such filings,

authorizations and approvals under the Utah Statute, (ix) such filings, authorizations and approvals under Section 4 of the Bank Holding Company Act, and (x) such other consents, orders, authorizations, registrations, declarations and filings the failure of which to be obtained or made would not, individually or in the aggregate, have a Material Adverse Effect on the Company, materially impair the ability of the Company to perform its obligations hereunder or prevent or materially delay the consummation of any of the transactions contemplated hereby.

Section 3.6 SEC Documents and Other Reports. The Company has filed all required documents (including proxy statements) with the SEC since June 29, 1997 (as such documents have been amended since the time of their filing and prior to the date hereof, the "Company SEC Documents"). As of their respective dates or, if amended, as of the date of the last such amendment, the Company SEC Documents complied in all material respects with the requirements of the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, as the case may be, and, at the respective times they were filed or, if amended, as of the date of the last such amendment, none of the Company SEC Documents, including the financial statements of the Company and the notes thereto, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The consolidated financial statements (including, in each case, any notes thereto) of the Company included in the Company SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, were prepared in accordance with United States GAAP (except, in the case of the unaudited statements, as permitted by Form 10-Q of the SEC) applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto) and fairly presented the consolidated financial position of the Company and its consolidated Subsidiaries as at the respective dates thereof and the consolidated results of their operations and their consolidated cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments and to any other adjustments described therein none of which were or will be material in amount or effect). Except as disclosed in the Company SEC Documents or as required by GAAP, the Company has not, since June 29, 1997, made any change in the accounting practices or policies applied in the preparation of financial statements.

Section 3.7 Information Supplied. None of the information supplied or to be supplied by the Company specifically for inclusion or incorporation by reference in (i) the Proxy Statement or (ii) the Schedule 13e-3 will (a) in the case of the Schedule 13e-3, at the time the Schedule 13e-3 is filed with the SEC, or (b) in the case of the Proxy Statement, at the time the Proxy Statement is first mailed to the Company's stockholders or at the time of the Stockholder Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. The

Proxy Statement will comply as to form in all material respects with the requirements of the Exchange Act, except that no representation or warranty is made by the Company with respect to statements made or incorporated by reference therein based on information supplied by Parent or Merger Sub specifically for inclusion or incorporation by reference therein.

Section 3.8 Absence of Certain Changes or Events. Except as disclosed in the Company SEC Documents filed with the SEC prior to the date of this Agreement or as set forth in Section 3.8 of the Company Letter, since June 30, 1998, the Company and its Subsidiaries have conducted their respective business in all material respects only in the ordinary course and (A) the Company and its Subsidiaries have not incurred any liability or obligation (indirect, direct or contingent) that would result in a Material Adverse Effect on the Company, or entered into any material oral or written agreement or other transaction that is not in the ordinary course of business or that would result in a Material Adverse Effect on the Company, (B) the Company and its Subsidiaries have not sustained any loss or interference with their business or properties from fire, flood, windstorm, accident or other calamity (whether or not covered by insurance) that has had a Material Adverse Effect on the Company, (C) there has been no change in the capital stock of the Company except for the issuance of shares of the Company Common Stock pursuant to Company Stock Options, the Company Stock Purchase Plan or the Company Restricted Stock Plan and no dividend or distribution of any kind declared, paid or made by the Company on any class of its stock, (D) there has not been (v) any adoption of a new Company Plan (as hereinafter defined), (w) any amendment to a Company Plan materially increasing benefits thereunder, (x) any granting by the Company or any of its Subsidiaries to any executive officer or other key employee of the Company or any of its Subsidiaries of any increase in compensation, except in the ordinary course of business consistent with prior practice or as was required under employment agreements in effect as of the date of the most recent audited financial statements included in the Company SEC Documents, (y) any granting by the Company or any of its Subsidiaries to any such executive officer or other key employee of any increase in severance or termination agreements in effect as of the date of the most recent audited financial statements included in the Company SEC Documents or (z) any entry by the Company or any of its Subsidiaries into any employment, severance or termination agreement with any such executive officer or other key employee, (E) there has not been any material changes in the amount or terms of the indebtedness of the Company and its Subsidiaries from that described in the Company SEC Documents filed prior to the date hereof, (F) any revaluation by the Company of any of material assets and (G) no Material Adverse Effect on the Company has occurred.

Section 3.9 Permits and Compliance. Each of the Company and its Subsidiaries is in possession of all franchises, grants, authorizations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals and orders of any Governmental Entity or Card Association necessary for the Company or any of its Subsidiaries to own, lease and operate its properties or to carry on its business as it is now being conducted (the "Company Permits"), except where the failure to have

any of the Company Permits would not, individually or in the aggregate, have a Material Adverse Effect on the Company or prevent or materially delay the consummation of the Merger, and no suspension or cancellation of any of the Company Permits is pending or, to the knowledge of the Company, threatened, except where the suspension or cancellation of any of the Company Permits would not, individually or in the aggregate, have a Material Adverse Effect on the Company or prevent or materially delay the consummation of the Merger. Neither the Company nor any of its Subsidiaries nor, for purposes of clause (D), any of the Company's or any of its Subsidiary's independent sales organizations, is in violation of (A) its charter, by-laws or other organizational documents, (B) any law, ordinance, administrative or governmental rule or regulation, (C) any order, decree or judgment of any Governmental Entity having jurisdiction over the Company or any of its Subsidiaries or (D) any applicable Card Association rules, by-laws or regulations, except in the case of clauses (A), (B), (C) and (D), for any violations that, individually or in the aggregate, would not have a Material Adverse Effect on the Company or prevent or materially delay the consummation of the Merger. Except as disclosed in the Company SEC Documents filed prior to the date of this Agreement or in Section 3.9 of the Company Letter, there are no contracts or agreements of the Company or its Subsidiaries (including the Company Merchant Contracts) having terms or conditions which would have a Material Adverse Effect on the Company or having covenants that purport to bind any stockholder or any Affiliated Person (as hereinafter defined) of any stockholder of the Company after the Effective Time. Except as set forth in the Company SEC Documents filed prior to the date of this Agreement or in Section 3.9 of the Company Letter, no event of default or event that, but for the giving of notice or the lapse of time or both, would constitute an event of default exists or, upon the consummation by the Company of the transactions contemplated by this Agreement, will exist under any indenture, mortgage, loan agreement, note or other agreement or instrument for borrowed money, any guarantee of any agreement or instrument for borrowed money or any lease, contractual license or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any such Subsidiary is bound or to which any of the properties, assets or operations of the Company or any such Subsidiary is subject, other than any defaults that, individually or in the aggregate, would not have a Material Adverse Effect on the Company.

Section 3.10 Tax Matters. Except as set forth in Section 3.10 of the Company Letter, (i) the Company and each of its Subsidiaries have timely filed all federal, and all material state, local, foreign and provincial, Tax Returns (as hereinafter defined) required to have been filed (giving effect to all applicable extensions), and such Tax Returns are correct and complete, except to the extent that any failure to so file or any failure to be correct and complete would not, individually or in the aggregate, have a Material Adverse Effect on the Company; (ii) all material Taxes (as hereinafter defined) shown to be due on such Tax Returns and all material Taxes for which no return was filed (x) have been timely paid or extensions for payment have been properly obtained, (y) are being timely and properly contested or (z) have been reserved for in the financial

statements of the Company (in accordance with GAAP); (iii) neither the Company nor any of its Subsidiaries has waived any statute of limitations in respect of its Taxes; and (iv) all deficiencies asserted or assessments made as a result of any examination of such Tax Returns by any taxing authority have been paid in full. For purposes of this Agreement: (i) "Taxes" means any federal, state, local, foreign or provincial income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or added minimum, ad valorem, value-added, transfer or excise tax, or other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty imposed by any Governmental Entity, and (ii) "Tax Return" means any return, report or similar statement (including the attached schedules) required to be filed with respect to any Tax, including any information return, claim for refund, amended return or declaration of estimated Tax.

Section 3.11 Actions and Proceedings. Except as set forth in Section 3.11 of the Company Letter, there are no outstanding orders, judgments, injunctions, awards or decrees of any Governmental Entity against or involving the Company or any of its Subsidiaries, or, to the knowledge of the Company, against or involving any of the present or former directors, officers, employees, consultants or agents of the Company or any of its Subsidiaries with respect to the Company or any of its Subsidiaries, any of the properties, assets or business of the Company or any of its Subsidiaries or any Company Plan that, individually or in the aggregate, would have a Material Adverse Effect on the Company, materially impair the ability of the Company to perform its obligations hereunder or prevent or materially delay the consummation of the Merger. Except as disclosed in the Company SEC Documents filed with the SEC prior to the date hereof or in Section 3.11 of the Company Letter, there are no actions, suits or claims or legal, administrative or arbitrative proceedings or investigations (including claims for workers' compensation) pending or, to the knowledge of the Company, threatened against or involving the Company or any of its Subsidiaries or, to the Company's knowledge, any of its or their present or former directors, officers, employees, consultants or agents with respect to the Company or any of its Subsidiaries, or any of the properties, assets or business of the Company or any of its Subsidiaries or any Company Plan that, individually or in the aggregate, would have a Material Adverse Effect on the Company, materially impair the ability of the Company to perform its obligations hereunder or prevent or materially delay the consummation of the Merger. The Company's expenses, losses and liabilities in connection with, including any adverse outcome of, that class action lawsuit filed in the United States District Court for the Northern District of Texas against the Company by certain stockholders of the Company, entitled Raffaele Branca, Carl C. Conrad and Michael P. Fuchs v. Paymentech Inc. Pamela H. Patsley and David W. Truetzel, will, to the best of the Company's knowledge, be covered by insurance maintained by the Company other than for the applicable deductibles under the Company's insurance policies (which deductibles do not exceed, in the aggregate, $1,000,000). There are no actions, suits, labor disputes or other litigation, legal or administrative proceedings or governmental investigations pending or, to

the knowledge of the Company, threatened against or affecting the Company or any of its Subsidiaries or, to the Company's knowledge, any of its or their present or former officers, directors, employees, consultants or agents with respect to the Company or its Subsidiaries, or any of the properties, assets or business of the Company or any of its Subsidiaries, in each case relating to the transactions contemplated by this Agreement.

Section 3.12 Certain Agreements. Except as set forth in Section 3.12 of the Company Letter, neither the Company nor any of its Subsidiaries is a party to any oral or written agreement or plan, including any employment agreement, severance agreement, stock option plan, stock appreciation rights plan, restricted stock plan or stock purchase plan (collectively, the "Compensation Agreements"), pension plan (as defined in Section 3(2) of ERISA) or welfare plan (as defined in Section 3(1) of ERISA) any of the benefits of which will be increased, or the vesting of the benefits of which will be accelerated, by the occurrence of any of the transactions contemplated by this Agreement or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement. Except as set forth in Section 5.4, no holder of any option to purchase Shares, or Shares granted in connection with the performance of services for the Company or its Subsidiaries, is or will be entitled to receive cash from the Company or any of its Subsidiaries in lieu of or in exchange for such option or shares as a result of the transactions contemplated by this Agreement. Section 3.12 of the Company Letter sets forth (i) for each officer, director or employee who is a party to, or will receive benefits under, any Compensation Agreement as a result of the transactions contemplated herein, the total amount that each such person may receive, or is eligible to receive, assuming that the transactions contemplated by this Agreement are consummated on the date hereof, and (ii) the total amount of indebtedness for borrowed money owed to the Company or its Subsidiaries from each officer, director or employee of the Company and its Subsidiaries.

Section 3.13 ERISA. (a) As used herein, (i) "Company Plan" means a "pension plan" (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") (other than a Company Multiemployer Plan)), a "welfare plan" (as defined in section 3(1) of ERISA), or any other written or oral bonus, profit sharing, deferred compensation, incentive compensation, stock ownership, stock purchase, stock option, phantom stock, restricted stock, stock appreciation right, holiday pay, vacation, severance, medical, dental, vision, disability, death benefit, sick leave, fringe benefit, personnel policy, insurance or other plan, arrangement or understanding, in each case established or maintained by the Company or any of its Subsidiaries or ERISA Affiliates or as to which the Company or any of its Subsidiaries or ERISA Affiliates has contributed or otherwise may have any liability, (ii) "Company Multiemployer Plan" means a "multiemployer plan" (as defined in section 4001(a)(3) of ERISA) to which the Company or any of its Subsidiaries or ERISA Affiliates is or has been obligated to contribute or otherwise may have any liability, and (iii) "ERISA Affiliate" means any trade or business (whether or not incorporated) which would be considered a single employer

with the Company pursuant to section 414(b), (c), (m) or (o) of the Code and the regulations promulgated under those sections or pursuant to section 4001(b) of ERISA and the regulations promulgated thereunder.

(b) Each material Company Plan is listed in Section 3.13(b) of the Company Letter. With respect to each Company Plan listed therein, the Company has made available to Parent a true and correct copy of (i) the three most recent annual reports (Form 5500) filed with the IRS if applicable, (ii) each such Company Plan that has been reduced to writing and all amendments thereto, (iii) each trust agreement, insurance contract or administration agreement relating to each such Company Plan, (iv) a written summary of each unwritten Company Plan, (v) the most recent summary plan description or other written explanation of each Company Plan provided to participants, (vi) the most recent determination letter and request therefore, if any, issued by the IRS with respect to any Company Plan intended to be qualified under section 401(a) of the Code, (vii) any request for a determination currently pending before the IRS and (viii) all material correspondence with the IRS, the Department of Labor, the SEC or Pension Benefit Guaranty Corporation relating to any potential investigation or outstanding controversy. Except as would not have a Material Adverse Effect on the Company, each Company Plan complies in all respects with the ERISA, the Code and all other applicable statutes and governmental rules and regulations. Except for Company Plans listed in Section 3.13(b) of the Company Letter, neither the Company nor any ERISA Affiliate currently maintains, contributes to or has any liability or, at any time during the past six years has maintained or contributed to any pension plan which is subject to section 412 of the Code or section 302 of ERISA or Title IV of ERISA. Except for Company Multiemployer Plans listed in Section 3.13(b) of the Company Letter, neither the Company nor any ERISA Affiliate currently maintains, contributes to or has any liability or, at any time during the past six years has maintained or contributed to any Company Multiemployer Plan.

(c) Except as listed in Section 3.13(c) of the Company Letter, with respect to the Company Plans, no event has occurred and, to the knowledge of the Company, there exists no condition or set of circumstances in connection with which the Company or any Subsidiary of the Company or ERISA Affiliate or Company Plan fiduciary could reasonably be expected to be subject to any liability under the terms of such Company Plans, ERISA, the Code or any other applicable law which would have a Material Adverse Effect on the Company. All Company Plans that are intended to be qualified under section 401(a) of the Code have been determined by the IRS to be so qualified, or a timely application for such determination is now pending and the Company is not aware of any reason why any such Company Plan is not so qualified in operation. Except as disclosed in Section 3.13(c) of the Company Letter, neither the Company nor any of its Subsidiaries or ERISA Affiliates has any liability or obligation under any welfare plan to provide benefits after termination of employment to any employee or dependent other than as required by section 4980B of the Code. Neither the Company nor any Subsidiary of the Company nor any ERISA Affiliate has any liability whether direct, indirect, contingent or otherwise, under (i)

Section 302 of ERISA or section 412 of the Code or (ii) Title IV of ERISA.

(d) Section 3.13(d) of the Company Letter contains a list of all (i) severance and employment agreements with employees of the Company and each of its Subsidiaries with respect to any employee whose annual rate of base salary exceeds $100,000, and (ii) severance programs and policies of the Company and each of its Subsidiaries with or relating to its employees and (iii) plans, programs, agreements and other arrangements of the Company and each of its Subsidiaries with or relating to its employees containing change of control or similar provisions.

(e) Except as set forth in Section 3.13(e) of the Company Letter, neither the Company nor any of its Subsidiaries is a party to any agreement, contract or arrangement that could result, separately or in the aggregate, in the payment of any "excess parachute payments" within the meaning of section 280G of the Code or that provides for payments that would be nondeductible under section 162(m) of the Code.

(f) Except as set forth in Section 3.13(f) of the Company Letter, with respect to each Company Plan not subject to United States law (a "Company Foreign Benefit Plan"), except as would not have a Material Adverse Effect on the Company, (i) the fair market value of the assets of each funded Company Foreign Benefit Plan, the liability of each insurer for any Company Foreign Benefit Plan funded through insurance or the reserve shown on the Company's consolidated financial statements for any unfunded Company Foreign Benefit Plan, together with any accrued contributions, is sufficient to procure or provide for the benefit obligations, as of the Effective Time, with respect to all current and former participants in such plan according to reasonable, country specific actuarial assumptions and valuations and no transaction contemplated by this Agreement shall cause such assets or insurance obligations or book reserve to be less than such benefit obligations; and (ii) each Company Foreign Benefit Plan required to be registered has been registered and has been maintained in good standing with the appropriate regulatory authorities.

Section 3.14 Liabilities; Services. (a) Except (i) as fully reflected or reserved against in the financial statements included in the Company SEC Documents filed with the SEC prior to the date hereof, or disclosed in the footnotes thereto, (ii) for liabilities incurred in the ordinary course of business since December 31, 1998, or (iii) as set forth in Section 3.14(a) of the Company Letter, neither the Company nor any of its Subsidiaries has any liabilities (including Tax liabilities) or obligations of any nature, whether accrued, absolute, contingent or otherwise required by generally accepted accounting principles ("GAAP") to be set forth on a consolidated balance sheet of the Company and its Subsidiaries or in the notes thereto, other than liabilities or obligations that would not, individually or in the aggregate, have a Material Adverse Effect on the Company. As of the date hereof, the indebtedness for borrowed money of the Company and its Subsidiaries does not exceed $85 million.

(b) Except as set forth in Section 3.14(b) of the Company Letter, to the knowledge of the Company, no product or service sold or delivered or service rendered by the Company or any of its Subsidiaries is subject to any guaranty, warranty or other indemnity.

Section 3.15 Labor Matters. Except as set forth in Section 3.15 of the Company Letter, neither the Company nor any of its Subsidiaries is a party to any collective bargaining agreement or labor contract with any union. Neither the Company nor any of its Subsidiaries has engaged in any unfair labor practice with respect to any persons employed by or otherwise performing services primarily for the Company or any of its Subsidiaries (the "Company Business Personnel"), and there is no unfair labor practice complaint or grievance against the Company or any of its Subsidiaries by any person pursuant to the National Labor Relations Act or any comparable state or foreign law pending or threatened in writing with respect to the Company Business Personnel, except where such unfair labor practice, complaint or grievance would not have a Material Adverse Effect on the Company. There is no labor strike, dispute, slowdown or stoppage pending or, to the knowledge of the Company, threatened against or affecting the Company or any of its Subsidiaries which may interfere with the respective business activities of the Company or any of its Subsidiaries, except where such dispute, strike or work stoppage would not have a Material Adverse Effect on the Company.

Section 3.16 Intellectual Property; Software; Year 2000. (a) For purposes of this Agreement, the following terms shall have the following meanings: (i) "Computerized Assets" means all software, hardware, firmware, embedded systems and other systems, components and/or services that are owned or leased by the Company or any of its Subsidiaries and used in the conduct of its business; (ii) "Intellectual Property Rights" means all patents, trademarks, trade names, service marks, trade secrets, copyrights and other proprietary intellectual property rights; and (iii) "Software" means computer software programs and software systems, including, without limitation, all databases, compilations, tool sets, compilers, higher level or "proprietary" languages, related documentation and materials, whether in source code, object code or human readable form.

(b) Except as would not, individually or in the aggregate, have a Material Adverse Effect on the Company, (i) the Company and its Subsidiaries have all Intellectual Property Rights as are necessary in connection with the business of the Company and its Subsidiaries, taken as a whole, (ii) neither the Company nor any of its Subsidiaries is in breach of any agreement affecting the Company's and/or its Subsidiaries' rights to use any of the licensed Intellectual Property Rights or Software, and (iii) none of the owned Intellectual Property Rights or Software infringes any Intellectual Property Rights of any other Person.

(c) Except as would not have a Material Adverse Effect on the Company or where a failure is attributable to the licensors or other third-party providers of the Company or any of its Subsidiaries, all of the Company's and each of its Subsidiary's Computerized Assets will be on or

prior to January 1, 2000 capable of providing and will provide uninterrupted millennium functionality to record, store, process and present calendar dates falling on or after January 1, 2000 and date dependent data in such a manner and with such functionality as is necessary for the operations of the Company and its Subsidiaries, and will not cause an interruption in the ongoing operations or business of the Company or any of its Subsidiaries on or after January 1, 2000.

Section 3.17 Title to and Sufficiency of Assets. (a) As of the date hereof, the Company and its Subsidiaries own, and as of the Effective Time the Company and its Subsidiaries will own, good and marketable title to all of their assets (excluding, for purposes of this sentence, assets held under leases), free and clear of any and all Liens, except as set forth in the Company SEC Documents filed with the SEC prior to the date hereof or in Section 3.17 of the Company Letter and except where the failure to own such title would not, individually or in the aggregate, have a Material Adverse Effect on the Company. Such assets, together with all assets held by the Company and its Subsidiaries under leases, include all tangible and intangible personal property, contracts and rights necessary or required for the operation of the businesses of the Company as presently conducted, except for such assets the failure to have would not, individually or in the aggregate, have a Material Adverse Effect on the Company.

(b) Neither the Company nor any of its Subsidiaries owns any Real Estate. All Real Estate assets held by the Company and its Subsidiaries under leases or subleases are adequate for the operation of the businesses of the Company as presently conducted, except for such assets the failure to have would not, individually or in the aggregate, have a Material Adverse Effect. The leases and subleases to all Real Estate occupied by the Company and its Subsidiaries which are material to the operation of the businesses of the Company are in full force and effect and no event has occurred which with the passage of time, the giving of notice, or both, would constitute a default or event of default by the Company or any of its Subsidiaries or, to the knowledge of the Company, any other person who is a party signatory thereto, other than such defaults or events of default which, individually or in the aggregate, would not have a Material Adverse Effect on the Company. For purposes of this Agreement, "Real Estate" means, with respect to the Company or any of its Subsidiaries, as applicable, all of the fee or leasehold ownership right, title and interest of such person, in and to all real estate and improvements owned or leased by any such person and which is used by any such person in connection with the operation of its business.

Section 3.18 Required Vote of Company Stockholders. The Company Stockholder Approval is required to adopt this Agreement and to consummate the Merger. No other vote of the security holders of the Company is required by law, the Company Charter or the By-laws of the Company or otherwise in order for the Company to consummate the Merger and the transactions contemplated hereby.

Section 3.19 Environmental Matters.

(a) For purposes of this Agreement, the following terms shall have the following meanings: (i) "Hazardous Substances" means (A) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials and polychlorinated biphenyls, and (B) any other chemicals, materials or substances regulated as toxic or hazardous or as a pollutant, contaminant or waste or for which liability or standards of care are imposed under any applicable Environmental Law; (ii) "Environmental Law" means any foreign, federal, state or local law, past, present or future and as amended, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, or common law, relating to pollution or protection of the environment, health or safety or natural resources, including those relating to the use, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Substances; and (iii) "Environmental Permit" means any permit, approval, identification number, license or other authorization required under any applicable Environmental Law.

(b) Except as disclosed in Section 3.19 of the Company Letter, the Company and its Subsidiaries are and have been in compliance with all applicable Environmental Laws, have obtained all Environmental Permits and are in compliance with their requirements, and have resolved all past non-compliance with Environmental Laws and Environmental Permits without any pending, on-going or future obligation, cost or liability, except in each case for the notices set forth in Section 3.19 of the Company Letter or where such non-compliance would not, individually or in the aggregate, have a Material Adverse Effect on the Company. To the knowledge of the Company, there are no circumstances that are reasonably likely to prevent or interfere with such compliance in the future. Except as disclosed in Section 3.19 of the Company Letter, to the knowledge of the Company, there are no past or present actions or activities, including, without limitation, the release, emission, discharge or disposal of any Hazardous Substances at any site presently or previously owned by the Company or its Subsidiaries in the conduct of their business that could form the basis of any claim against the Company or its Subsidiaries under Environmental Laws, except for such claims as would not, individually or in the aggregate, have a Material Adverse Effect on the Company.

Section 3.20 Customers and Employees. (a) Except as set forth in Section 3.20(a) of the Company Letter, neither the Company nor any of its Subsidiaries has received any notice prior to the date of this Agreement that (i) any of the top 25 customers of the Company and its Subsidiaries, as determined with respect to the revenues generated in 1997 and 1998 from such customers (the "Top 25 Customers"), intends to terminate or limit or alter its business relationship with the Company or any of its Subsidiaries, or (ii) any key employee intends to terminate or has terminated his or her employment with the Company or any of its Subsidiaries.

(b) Except as set forth in Section 3.20(b) of the Company Letter, (i) each contract between the Company and/or any of its Subsidiaries, on the one hand, and any provider of goods and/or services that accepts Transaction Cards as a payment vehicle which provider is one of the Top 25 Customers, on the other hand (the "Company Merchant Contracts"), constitutes a valid and binding obligation of the parties thereto and is in full force and effect, (ii) the Company and/or its Subsidiary, as applicable, has fulfilled and performed in all material respects its obligations under each of the Company Merchant Contacts, (iii) the Company is not in, or alleged to be in, any material breach or default under, nor is there or is there alleged to be any reasonable basis for termination of, any of the Company Merchant Contracts and (iv) to the knowledge of the Company, no other party to any of the Company Merchant Contracts has materially breached or defaulted thereunder.

Section 3.21 Insurance. The Company and its Subsidiaries carry or are entitled to the benefits of insurance as the Company believes are in such character and amount at least equivalent to that carried by persons engaged in similar businesses and subject to the same or similar perils or hazards, except for any such failures to maintain insurance policies as set forth in Section 3.21 of the Company Letter or that, individually or in the aggregate, would not have a Material Adverse Effect on the Company. The Company and each of its Subsidiaries have made any and all payments required to maintain such policies in full force and effect, except where the failure to make any such payments, in the aggregate, would not have a Material Adverse Effect on the Company.

Section 3.22 Transactions with Affiliates. (a) For purposes of this Section 3.22 and Section 3.9 hereof, the term "Affiliated Person" means (i) any direct or indirect holder of 5% or more of the Company Common Stock, (ii) any director or officer of the Company, any of its Subsidiaries or any Person described in clause (i), (iii) any Person that directly or indirectly controls, is controlled by, or is under common control with, any of the Company, any of its Subsidiaries or any Person described in clause (i), or (iv) any member of the immediate family or any of such persons.

(b) Except as set forth in Section 3.22 of the Company Letter or in the Company SEC Reports filed with the SEC prior to the date hereof, since June 30, 1998, the Company and its Subsidiaries have not, in the ordinary course of business or otherwise, (i) purchased, leased or otherwise acquired any material property or assets or obtained any material services from, (ii) sold, leased or otherwise disposed of any material property or assets or provided any material services to (except with respect to remuneration for services rendered in the ordinary course of business as director, officer or employee of the Company or any of its Subsidiaries), (iii) entered into, renewed or modified in any manner any contract with, or (iv) borrowed any money from, or made or forgiven any loan or other advance (other than expenses or similar advances made in the ordinary course of business) to, any Affiliated Person.

(c) Except as set forth in Section 3.22 of the Company Letter or

in the Company SEC Reports filed with the SEC prior to the date hereof, (i) the contracts of the Company and its Subsidiaries do not include any material obligation or commitment between the Company or any of its Subsidiaries and any Affiliated Person, (ii) the assets of the Company or any of its Subsidiaries do not include any receivable or other obligation or commitment from an Affiliated Person to the Company or any of its Subsidiaries and (iii) the liabilities of the Company and its Subsidiaries do not include any payable or other obligation or commitment from the Company or any of its Subsidiaries to any Affiliated Person.

(d) To the knowledge of the Company and except as set forth in Section 3.22 of the Company Letter or in the Company SEC Reports filed with the SEC prior to the date hereof, no Affiliated Person of any of the Company or any of its Subsidiaries is a party to any contract with any customer or supplier of the Company or any of its Subsidiaries that affects in any material manner the business, financial condition or results of operation of the Company or any of its Subsidiaries.

Section 3.23 Brokers. No broker, investment banker or other person, other than Merrill Lynch & Co. ("Merrill Lynch"), the fees and expenses of which will be paid by the Company is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company. The maximum amount of such fees of Merrill Lynch has been disclosed by the Company to Parent.

Section 3.24 State Takeover Statute. If the Merger is consummated as provided in this Agreement following receipt of the Company Stockholder Approval, Section 203 of the DGCL will be inapplicable to the Merger.

ARTICLE IV

COVENANTS RELATING TO CONDUCT OF BUSINESS

Section 4.1 Conduct of Business Pending the Merger. (a) Except as expressly permitted by clauses (i) through (xvi) of this Section 4.1, during the period from the date of this Agreement through the Effective Time, the Company shall, and shall cause each of its Subsidiaries to, in all material respects, carry on its business in the ordinary course of its business as currently conducted and, to the extent consistent therewith, use commercially reasonable efforts to preserve intact its current business organizations, keep available the services of its current officers and employees and preserve its relationships with customers, suppliers and others having business dealings with it. Without limiting the generality of the foregoing, and except as otherwise expressly contemplated by this Agreement or as set forth in the Company Letter (with specific reference to the applicable subsection below), the Company shall not, and shall not permit any of its Subsidiaries to, without the prior written consent of Parent (provided that with respect to clauses (v), (vi), (viii), (xi), (xiii) and (xiv) below, such consent shall not be unreasonably withheld or

delayed):

(i) (A) declare, set aside or pay any dividends on, or make any other actual, constructive or deemed distributions in respect of, any of the Company's or any of its Subsidiaries' capital stock, or otherwise make any payments or other distributions (whether in cash or property) to its stockholders in their capacity as such, other than dividends, distributions or other such payments by the Company's Subsidiaries in the ordinary course of business consistent with past practice, (B) split, combine or reclassify any of the Company's or any of its Subsidiaries' capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of the Company's or any of its Subsidiaries' capital stock or (C) purchase, redeem or otherwise acquire any shares of capital stock of the Company or any of its Subsidiaries or any other securities thereof or any rights, warrants or options to acquire any such shares or other securities, other than in connection with cashless exercises of Company Stock Options;

(ii) issue, deliver, sell, pledge, dispose of or otherwise encumber any shares of the Company's or any of its Subsidiaries' capital stock, any other voting securities or equity equivalent or any securities convertible into, or any rights, warrants or options (including options under the Company Stock Option Plan) to acquire any such shares, voting securities, equity equivalent or convertible securities, other than (A) the issuance of shares of Company Common Stock upon the exercise of Company Stock Options outstanding on the date of this Agreement in accordance with their current terms, (B) pursuant to the Company Stock Purchase Plan or (C) as set forth in Section 4.1(ii) of the Company Letter;

(iii) amend the Company Charter or By-laws or other similar organizational documents of any of the Company's Subsidiaries;

(iv) acquire or agree to acquire by merging or consolidating with, or by purchasing a substantial portion of the assets of or equity in, or by any other manner, any business or any corporation, limited liability company, partnership, association or other business organization or division thereof, except for acquisitions in the ordinary course of business consistent with past practice and involving aggregate consideration of up to $25 million (if the Effective Time is on or prior to the 90th day following the date hereof) or $50 million (if the Effective Time is thereafter);

(v) except as provided in the Contribution Agreement, sell, lease, encumber or otherwise dispose of, or agree to sell, lease, encumber or otherwise dispose of, any of its assets, other than sales of inventory that are in the ordinary course of business consistent with past practice and sales of assets having an aggregate fair market value of up to $10 million;

(vi) incur any indebtedness for borrowed money, guarantee any such indebtedness or make any loans, advances or capital contributions to, or other investments in, any other person, other than (A) in the ordinary course of business consistent with past practice and, in the case of indebtedness and guarantees, in an amount not to exceed $50 million in the aggregate in excess of amounts outstanding on the date hereof and (B) indebtedness, loans, advances, capital contributions and investments between the Company and any of its Subsidiaries or between any of such Subsidiaries, in each case in the ordinary course of business consistent with past practice;

(vii) except as provided in Section 4.1(vii) of the Company Letter, alter (through merger, liquidation, reorganization, restructuring or in any other fashion) the corporate structure or ownership of the Company or any of its Subsidiaries;

(viii) except as provided in Section 4.1(viii) of the Company Letter and Section 5.4 hereof, increase the compensation payable or to become payable to the Company's or any of its Subsidiaries' directors, officers or employees or grant any severance or termination pay to, or enter into any employment or severance agreement with, any director, officer or employee of the Company or any of its Subsidiaries, or establish, adopt, enter into, or, except as may be required to comply with applicable law, amend in any material respect or take action to enhance in any material respect or accelerate any rights or benefits under, any labor, collective bargaining, bonus, profit sharing, thrift, compensation, stock option, restricted stock, pension, retirement, deferred compensation, employment, termination, severance or other plan, agreement, trust, fund, policy or arrangement for the benefit of any director, officer or employee, except in any such case in the ordinary course of business or where the aggregate annual expense to the Company and its Subsidiaries, taken as a whole, associated with such actions is not in excess of $5 million;

(ix) knowingly violate or knowingly fail to perform, in any material respect, any obligation or duty imposed upon the Company or any of its Subsidiaries by any applicable federal, state or local law, rule, regulation, guideline or ordinance;

(x) make any change to accounting policies, practices or procedures (other than actions required to be taken as a result of a change in law or GAAP);

(xi) prepare or file any Tax Return inconsistent with past practice or, on any such Tax Return, take any position, make any election, or adopt any method that is inconsistent with positions taken, elections made or methods used in preparing or filing similar Tax Returns in prior periods;

(xii) settle or compromise any federal, state, local or foreign income tax dispute in excess of $10 million;

(xiii) settle or compromise any claims or litigation where (i) the consideration paid by the Company and its Subsidiaries, in the aggregate, has a fair market value in excess of $6 million or (ii) there are potential criminal liabilities;

(xiv) other than in the ordinary course of business consistent with past practice and other than the Processing Agreement, dated as of the date hereof, between the Company and First Data Merchant Services Corporation, enter into, amend or terminate any agreement or contract to which the Company or any of its Subsidiaries is a party, (i) having a remaining term in excess of 12 months or (ii) which involves or is expected to involve future receipt or payment of $10 million or more during the term thereof, or waive, release or assign any material rights or claims under any such agreement or contract; or purchase any Real Estate, or make or agree to make any new capital expenditure or expenditures (other than the purchase of real property) which in the aggregate are in excess of 15% higher than expenditures contemplated by the Company's capital budget for fiscal 1999 or fiscal 2000 as previously provided to Parent in writing;

(xv) pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise) in excess of $6 million, other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice and in accordance with their terms, of any such claims, liabilities or obligations (in each case not related to pending litigation) reflected or disclosed in the most recent consolidated financial statements (or the notes thereto) of the Company included in the Company SEC Documents or incurred since the date of such financial statements in the ordinary course of business consistent with past practice;

(xvi) except as required by applicable law or by order of a Governmental Entity, do any other act which would cause any representation or warranty of the Company in this Agreement to be or become untrue; or

(xvii) authorize, recommend, propose or announce an intention to do any of the foregoing, or enter into any contract, agreement, commitment or arrangement to do any of the foregoing.

(b) Except as permitted herein, during the period from the date of this Agreement through the Effective Time, Parent shall not, and shall cause each of its Subsidiaries not to, consummate or enter into any agreement to consummate any transaction which would reasonably be expected to delay or impede the consummation of the Merger or which relates to the merchant acquiring business and would require filings to be made under the HSR Act; provided, however, that this Section 4.1(b) shall be inapplicable with respect to the exercise or enforcement by Parent or any of its Subsidiaries of any of their current rights (including, without limitation,

options to acquire assets or perform services) or the performance by Parent or any of its Subsidiaries of any current obligations (including, without limitation, in connection with rights of third parties to require Parent or any of its Subsidiaries to acquire assets or perform services).

Section 4.2 No Solicitation. (a) The Company shall, and shall cause its Subsidiaries and its and their respective officers, directors, employees, financial advisors, attorneys and other advisors and representatives (collectively, "Company Representatives") to immediately cease any discussions or negotiations with any Person that may be ongoing with respect to any possibility or consideration of making a Takeover Proposal (as hereinafter defined). The Company shall not, nor shall it permit any of its Subsidiaries to, nor shall it authorize or permit any Company Representative to, directly or indirectly, (i) solicit, initiate or encourage any inquiries or the making or implementation of any Takeover Proposal, (ii) make or implement or participate in the making or implementation of any Takeover Proposal, (iii) approve or recommend (except with respect to a Superior Proposal in respect of which the Company is entitled to discuss or negotiate in accordance with this Section 4.2), or enter into any agreement with respect to, any Takeover Proposal or (iv) participate in any discussions or negotiations regarding, or furnish to any Person any information with respect to the Company or any of its Subsidiaries in connection with, or take any other action that may reasonably be expected to lead to any Takeover Proposal; provided, however, that nothing contained in this Section 4.2(a) shall prohibit the Company or its directors from complying with Rules 14d-9 and 14e-2 promulgated under the Exchange Act with regard to a tender or exchange offer; and provided, further, that prior to the Effective Time, if (A) the Company receives a request for non-public information that was not solicited in violation of this Section 4.2(a) from a party who proposes a written bona fide Takeover Proposal and if the Board of Directors of the Company determines in good faith that the failure to provide the information requested would be inconsistent with such Board's fiduciary duties to the Company and its stockholders or otherwise breach or violate applicable law (based on the advice of outside legal counsel to the Company to such effect, which advice shall specifically take into account the Stockholder Agreement and all the terms thereof, including the obligations and agreements therein of Bank One and First USA with respect to the Shares owned by First USA and voting for the Merger and against any Takeover Proposal other than the Merger (the "Legal Advice")), then the Company and the Company Representatives may, in response to an unsolicited request therefor, and subject to compliance with Section 4.2(b), furnish information with respect to the Company and its Subsidiaries to the Person making such Takeover Proposal pursuant to a customary confidentiality agreement (as determined by the Company's outside legal counsel) on terms not in the aggregate materially more favorable to such Person than the terms contained in the Confidentiality Agreement, and (B) (i) a Takeover Proposal constitutes a Superior Proposal (as hereinafter defined), and (ii) the Board of Directors of the Company reasonably determines in good faith that the failure to provide the information requested or to engage in discussions or negotiations would be inconsistent with such Board's fiduciary duties to the Company and its stockholders or

otherwise breach or violate applicable law (based on Legal Advice), then to the extent such failure is inconsistent with such Board's fiduciary duties (determined as aforesaid), the Company and the Company Representatives may, in response to an unsolicited request therefor, and subject to compliance with Section 4.2(b), participate in discussions or negotiations with such Person. Without limiting the foregoing, it is understood that any violation of the restrictions set forth in the preceding sentence by any Company Representative, whether or not such person is purporting to act on behalf of the Company or any of its Subsidiaries or otherwise, shall be deemed to be a breach of this Section 4.2(a) by the Company. For purposes of this Agreement, "Takeover Proposal" means (i) any written proposal or offer for a tender offer, recapitalization, merger, consolidation or other business combination involving the Company or any of its Subsidiaries or any proposal or offer to acquire in any manner, directly or indirectly, an equity interest in, any voting securities of, or a substantial portion of the assets of the Company or any of its Subsidiaries, other than the transactions contemplated by this Agreement, the Stockholder Agreement and the Contribution Agreement or (ii) any other transaction the consummation of which could reasonably be expected to impede, interfere with, prevent or materially delay the Merger or which could reasonably be expected to dilute or adversely affect materially the benefits to Parent of the transactions contemplated by this Agreement, the Stockholder Agreement and the Contribution Agreement, and "Superior Proposal" means a bona fide Takeover Proposal made by a third party on terms which the Board of Directors of the Company reasonably determines in good faith to be more favorable to the Company's stockholders than the Merger (based on a written opinion, with only customary qualifications, from a nationally recognized investment banking firm serving as financial advisor to the Company (a "Banker Opinion") that the value of the consideration provided for in such proposal exceeds the Merger Consideration) and for which financing, to the extent required, is then committed or which the Board of Directors reasonably determines in good faith (based on a Banker Opinion) is highly likely to be obtained by such third party. In making its determination whether a Takeover Proposal constitutes a Superior Proposal pursuant to the preceding sentence, the Board of Directors shall take into account whether such Takeover Proposal has a reasonable prospect of being consummated prior to October 1, 1999. Notwithstanding the foregoing, unless this Agreement shall have been terminated pursuant to the terms hereof, nothing shall prevent Parent, in its discretion, from consummating the Merger.

(b) The Company shall advise Parent and Bank One orally and in writing of (i) any Takeover Proposal or any inquiry with respect to or which could lead to any Takeover Proposal received by any officer or director of the Company or, to the knowledge of the Company, any other Company Representative and (ii) the identity of the Person making any such Takeover Proposal or inquiry, no later than 24 hours following receipt of such Takeover Proposal or inquiry. If the Company intends to furnish any Person with any information with respect to any Takeover Proposal in accordance with Section 4.2(a), the Company shall advise Parent and Bank One orally and in writing of such intention not less than 24 hours in advance of providing such information and shall promptly provide to Parent

and Bank One any information concerning the Company, its Subsidiaries, business, properties or assets furnished to any third party and which has not previously been provided to Parent and Bank One.

Section 4.3 Third Party Standstill Agreements. During the period from the date of this Agreement through the Effective Time, the Company shall not terminate, amend, modify or waive any provision of any standstill agreement to which the Company or any of its Subsidiaries is a party (other than, to the extent mutually agreed between Parent and the Company, any such agreement involving Parent). During such period, the Company agrees to enforce, to the fullest extent permitted under applicable law, the provisions of any such agreements, including, but not limited to, obtaining injunctions to prevent any breaches of such agreements and to enforce specifically the terms and provisions thereof in any court of the United States or any state thereof having jurisdiction.

ARTICLE V

ADDITIONAL AGREEMENTS

Section 5.1 Stockholder Meeting. (a) As soon as practicable following the execution of this Agreement, the Company will duly call, give notice of, convene and hold a meeting of stockholders (the "Stockholder Meeting") for the purpose of considering the adoption of this Agreement and the approval of the Merger and at such meeting call for a vote and cause proxies to be voted in respect of the adoption of this Agreement and the Company will, through its Board of Directors, recommend to its stockholders the adoption of this Agreement, and shall not withdraw or modify such recommendation (unless it has been previously withdrawn pursuant to the terms of Section 4.2). This Agreement shall be submitted to the Company's stockholders at the Stockholder Meeting whether or not the Board of Directors determines at any time that this Agreement is no longer advisable and recommends that the stockholders reject it.

(b) As soon as practicable after the execution of this Agreement, the Company shall prepare and file a preliminary Proxy Statement with the SEC and shall use its reasonable best efforts to respond to any comments of the SEC or its staff and to cause the Proxy Statement to be mailed to the Company's stockholders as promptly as practicable after responding to all such comments to the satisfaction of the staff. The Company shall notify Parent and Bank One promptly of the receipt of any comments from the SEC or its staff and of any request by the SEC or its staff for amendments or supplements to the Proxy Statement or for additional information and will supply Parent and Bank One with copies of all correspondence between the Company or any of its representatives, on the one hand, and the SEC or its staff, on the other hand, with respect to the Proxy Statement or the Merger. If at any time prior to the Stockholder Meeting there shall occur any event that should be set forth in an amendment or supplement to the Proxy Statement, the Company shall promptly prepare and mail to its stockholders such an amendment or supplement. Parent and its counsel and Bank One and its counsel shall be given a

reasonable opportunity to review and comment upon the Proxy Statement and any such correspondence prior to its filing with the SEC or dissemination to the Company's Stockholders. The Company shall not so file or disseminate any Proxy Statement, or any amendment or supplement thereto, to which Parent or Bank One reasonably objects. Parent and Bank One shall cooperate with the Company in the preparation of the Proxy Statement or any amendment or supplement thereto.

Section 5.2 Access to Information. During the period from the date of this Agreement through the Effective Time and subject to currently existing contractual and legal restrictions applicable to the Company or any of its Subsidiaries, the Company shall, and shall cause each of its Subsidiaries to, afford to the accountants, counsel, financial advisors and other representatives of Parent reasonable access to, and permit them to make such inspections as they may reasonably require of, all of their respective properties, books, contracts, commitments and records and, during such period, the Company shall, and shall cause each of its Subsidiaries to (i) furnish promptly to Parent a copy of each report, schedule, registration statement and other document filed by it during such period pursuant to the requirements of federal or state securities laws, (ii) furnish promptly to Parent all other information concerning its business, properties and personnel as Parent may reasonably request and (iii) promptly make available to Parent all personnel of the Company and its Subsidiaries knowledgeable about matters relevant to such inspections; provided, however, that the foregoing shall not require the Company or any of its Subsidiaries to furnish or otherwise make available to Parent or any of its Subsidiaries customer-specific data or competitively sensitive information relating to areas of the company's business in which Parent and/or any of its Subsidiaries competes against the Company. No investigation pursuant to this Section 5.2 shall affect any representation or warranty in this Agreement of any party hereto or any condition to the obligations of the parties hereto. All information obtained by Parent pursuant to this Section 5.2 shall be kept confidential in accordance with the Letter Agreement, dated September 4, 1997 between Parent and the Company, as confirmed in a letter dated October 22, 1998 from Parent to the Company (collectively, the "Confidentiality Agreement").

Section 5.3 Costs and Expenses; Termination Fee. (a) Except as provided in this Section 5.3, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby (including the Merger), including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the party incurring such costs and expenses, whether or not the Merger is consummated.

(b) The Company shall pay, or cause to be paid, in same day funds to Parent $10 million (the "Termination Fee"), under the circumstances and at the times set forth as follows:

(i) if Parent terminates this Agreement under Section 7.1(d) the Company shall pay the Termination Fee upon demand; and

(ii) if the Company terminates this Agreement under Section 7.1(e), the Company shall pay the Termination Fee simultaneously with such termination.

(c) If this Agreement is terminated pursuant to Section 7.1(b)(i) and at the time of such termination the condition set forth in Section 6.1(c) shall not have been fulfilled, then Parent shall reimburse the Company upon demand for all documented out-of-pocket fees and expenses incurred or paid by or on behalf of the Company in connection with this Agreement and the transactions contemplated hereby, including all fees and expenses of its counsel, financial advisor, accountant and other consultants and advisors; provided, however, that Parent shall not be obligated to make payments pursuant to this Section 5.3(c) in excess of $2 million in the aggregate.

Section 5.4 Stock Options. (a) Prior to the Effective Time, the Board of Directors of the Company (or, if appropriate, any committee thereof) shall adopt appropriate resolutions and take all other actions necessary or appropriate, if any, to (i) cause each Company Stock Option that is outstanding as of the date hereof to vest and to be exercisable immediately prior to the consummation of the Merger, (ii) cause all restrictions applicable to any restricted stock award heretofore granted under the Company Restricted Stock Plan or any other similar plan outstanding upon the consummation of the Merger to lapse immediately prior to the Effective Time and (iii) cause each Company Stock Option that is outstanding upon the consummation of the Merger to be exercisable solely for the Merger Consideration for each Share issuable upon exercise thereof immediately prior to the Effective Time. The Company shall offer each holder of a Company Stock Option (an "Option Holder"), in exchange for the cancellation thereof, the right to receive from the Company an amount equal to (A) the product of (1) the number of shares of Company Common Stock subject to such Company Stock Option and (2) the excess, if any, of the Merger Consideration over the exercise price per share for the purchase of the Company Common Stock subject to such Company Stock Option, minus (B) all applicable federal, state and local Taxes required to be withheld in respect of such payment. The amounts payable pursuant to the immediately preceding sentence of this 5.4 shall be paid as soon as reasonably practicable following the Effective Time. The surrender of an Option in exchange for the consideration contemplated by the second sentence of this Section 5.4 shall be deemed a release of any and all rights the Option Holder had or may have had in respect thereof. The Company shall take all such steps as may be required to cause the transactions contemplated by this Section 5.4 and any other dispositions of Company equity securities (including derivative securities) in connection with this Agreement by each individual who is a director or officer of the Company to be exempt under Rule 16b-3 promulgated under the Exchange Act, such steps to be taken in accordance with the No-Action Letter dated January 12, 1999, issued by the SEC to Skadden, Arps, Slate, Meagher & Flom LLP.

(b) The Company shall take all actions necessary to ensure that (i) the Offering Period (as defined in the Company Stock Purchase Plan)

applicable to the options outstanding under the Company Stock Purchase Plan (each, a "Purchase Plan Option") is shortened in accordance with Section 16 of the Company Stock Purchase Plan so as to have an Exercise Date (as defined in the Company Stock Purchase Plan) that occurs before the Effective Time; (ii) no new Offering Period, other than the Offering Period scheduled to commence on April 1, 1999, shall commence on or after the date hereof, and (iii) no holder of a Purchase Plan Option is permitted to increase his or her rate of payroll deduction under the Company Stock Purchase Plan from and after the date hereof.

(c) The Company shall take all actions necessary to provide that, prior to the Effective Time, (i) the Company Stock Option Plan, the Company Stock Purchase Plan and any similar plan or agreement of the Company shall be terminated, (ii) any rights under any other plan, program, agreement or arrangement to the issuance or grant of any other interest in respect of the capital stock of the Company or any of its Subsidiaries shall be terminated, and (iii) no Option Holder will have any right to receive any shares of capital stock of the Company or, if applicable, the Surviving Corporation, upon exercise of any Company Stock Option.

(d) The Company represents and warrants that it has the power and authority under the terms of the Company Stock Purchase Plan and each of the Company Stock Option Plan and the Company Restricted Stock Plan to comply with subsections (a), (b) and (c) hereof without the consent of any Option Holder or any other person.

Section 5.5 Reasonable Best Efforts. (a) Upon the terms and subject to the conditions set forth in this Agreement, each of the parties agrees to use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Merger and the other transactions contemplated by this Agreement, including: (i) the obtaining of all necessary actions or non-actions, waivers, consents and approvals from all Governmental Entities and Card Associations and the making of all necessary registrations and filings (including filings under the HSR Act, the Change in Bank Control Act and the Utah Statute and other filings with Governmental Entities) and the taking of all reasonable steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any Governmental Entity (including furnishing all information required under the HSR Act, the Change in Bank Control Act and the Utah Statute and actions in connection with State Takeover Approvals); (ii) the obtaining of all necessary consents, approvals or waivers from third parties; (iii) the defending of any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions contemplated hereby and thereby, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Entity vacated or reversed; and (iv) the execution and delivery of any additional instruments necessary to consummate the transactions contemplated by this Agreement. Each party will promptly

consult with the other with respect to, provide any necessary information with respect to and provide the other (or its counsel) and Bank One (or its counsel) copies of, all filings made by such party with any Governmental Entity in connection with this Agreement and the transactions contemplated hereby. In addition, if at any time prior to the Effective Time any event or circumstance relating to any of the Company, Parent or Merger Sub or any of their respective Subsidiaries, or any of their respective officers or directors, should be discovered by the Company, Parent or Merger Sub, as the case may be, and which should be set forth in an amendment or supplement to the Proxy Statement or the Schedule 13e-3, the discovering party will promptly inform the other party of such event or circumstance. No party to this Agreement shall consent to any voluntary delay of the consummation of the Merger at the behest of any Governmental Entity without the consent of the other parties to this Agreement, which consent shall not be unreasonably withheld.

(b) Each party shall use all reasonable best efforts to not take any action, or enter into any transaction, which would cause any of its representations or warranties contained in this Agreement to be untrue or result in a breach of any covenant made by it in this Agreement.

(c) Notwithstanding anything to the contrary contained in this Agreement, in connection with any filing or submission required or action to be taken by either Parent or the Company to effect the Merger and to consummate the other transactions contemplated hereby, the Company shall not, without Parent's prior written consent, commit to any divestiture transaction other than with respect to the Excluded Assets (as defined in the Contribution Agreement), and neither Parent nor any of its affiliates shall be required to divest or hold separate or otherwise take or commit to take any action that limits its freedom of action with respect to, or its ability to retain, the Company or any of the businesses, product lines or assets of Parent or any of its Subsidiaries or that would have a Material Adverse Effect on Parent.

Section 5.6 Public Announcements. Parent and the Company will not issue any press release with respect to the transactions contemplated by this Agreement or otherwise issue any written public statements with respect to such transactions without prior consultation with the other party and Bank One, except as may be required by applicable law or by obligations pursuant to any listing agreement with any national securities exchange.

Section 5.7 State Takeover Laws. If any "fair price," "business combination" or "control share acquisition" statute or other similar statute or regulation is or may become applicable to the transactions contemplated hereby, in the Stockholder Agreement or in the Contribution Agreement such that, without further approval or action by Parent, the Company or their respective Boards of Directors, such transactions cannot be consummated in accordance with the terms hereof and thereof and such statute or regulations, then Parent and the Company and their respective Boards of Directors shall use their reasonable efforts to grant such

approvals and take such actions as are necessary so that the transactions contemplated hereby and thereby may be consummated as promptly as practicable on the terms contemplated hereby and thereby and otherwise act to minimize the effects of any such statute or regulation on the transactions contemplated hereby and thereby.

Section 5.8 Indemnification; Directors and Officers Insurance. (a) From and after the Effective Time, Parent shall cause the Surviving Corporation to indemnify and hold harmless all past and present officers and directors of the Company and of its Subsidiaries (each an "Indemnified Party") to the same extent and in the same manner such persons are indemnified as of the date of this Agreement by the Company pursuant to the DGCL, the Company Charter or the Company's By-laws for acts or omissions occurring at or prior to the Effective Time. Parent also agrees to advance expenses as incurred to the fullest extent permitted under the DGCL upon receipt from the applicable Indemnified Party to whom expenses are to be advanced of an undertaking to repay such advances if it is ultimately determined that such person is not entitled to indemnification pursuant to this Section 5.8(a).

(b) Parent shall cause the Surviving Corporation to provide, for an aggregate period of not less than six years from the Effective Time, the Company's current directors and officers an insurance and indemnification policy that provides coverage for events occurring prior to the Effective Time (the "D&O Insurance") that is substantially similar to the Company's existing policy or, if substantially equivalent insurance coverage is unavailable, the best available coverage; provided, however, that the Surviving Corporation shall not be required to pay an annual premium for the D&O Insurance in excess of 150% of the last annual premium paid prior to the date hereof but in such case shall purchase as much coverage as possible for such amount.

(c) The provisions of this Section 5.8(i) are intended to be for the benefit of, and will be enforceable by, each Indemnified Party, his or her heirs and his or her representatives and (ii) are in addition to, and not in substitution for, any other rights to indemnification or contribution that any such person may have by contract or otherwise.

Section 5.9 Notification of Certain Matters. Parent shall use its reasonable best efforts to give prompt notice to the Company and Bank One, and the Company shall use its reasonable best efforts to give prompt notice to Parent and Bank One, of: (i) the occurrence, or non-occurrence, of any event the occurrence, or non-occurrence, of which it is aware and which would be reasonably likely to cause (x) any representation or warranty contained in this Agreement and made by it to be untrue or inaccurate in any material respect or (y) any covenant, condition or agreement contained in this Agreement and made by it not to be complied with or satisfied in all material respects, (ii) any failure of Parent or the Company, as the case may be, to comply in a timely manner with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder or (iii) any change or event which has had a

Material Adverse Effect on the Company; provided, however, that the delivery of any notice pursuant to this Section 5.9 shall not limit or otherwise affect the remedies available hereunder to the party receiving such notice.

Section 5.10 Certain Litigation. The Company agrees that it shall not settle any litigation commenced after the date hereof against the Company or any of its directors by any stockholder of the Company relating to the Merger, this Agreement or the Stockholder Agreement without the prior written consent of Parent, which consent may not be unreasonably withheld. In addition, the Company shall not voluntarily cooperate with any third party that may hereafter seek to restrain or prohibit or otherwise oppose the Merger and shall cooperate with Parent and Merger Sub to resist any such effort to restrain or prohibit or otherwise oppose the Merger.

Section 5.11 Revolving Credit Agreement. The Company agrees to use reasonable efforts to obtain a waiver of the restrictions on dividends or other distributions by the Company under its existing revolving credit agreement and the consent to the transfer of such revolving credit agreement to the Alliance.

ARTICLE VI

CONDITIONS PRECEDENT TO THE MERGER

Section 6.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligations of each party to effect the Merger shall be subject to the fulfillment at or prior to the Effective Time of the following conditions:

(a) Stockholder Approval. The Company Stockholder Approval shall have been obtained.

(b) No Order. No court or other Governmental Entity having jurisdiction over the Company or Parent, or any of their respective Subsidiaries, shall have enacted, issued, promulgated, enforced or entered any law, rule, regulation, executive order, decree, injunction or other order (whether temporary, preliminary or permanent) which is then in effect and has the effect of making illegal the Merger or any of the other transactions contemplated by this Agreement, the Stockholder Agreement or the Contribution Agreement.

(c) HSR Act. Any waiting period (and any extension thereof) under the HSR Act applicable to the Merger shall have expired or been terminated.

(d) Regulatory Approvals. The parties shall have received the approval of the Federal Deposit Insurance Corporation under the Change in Bank Control Act and the approval of the Utah Department of Financial Institutions under the Utah Statute, and any other governmental or

regulatory notices or approvals required with respect to the transactions contemplated hereby shall have been either filed or received, except for those the failure to have given or obtain would not have a Material Adverse Effect on the Company.

Section 6.2. Additional Conditions to Obligations of Parent and Merger Sub. The obligations of Parent and Merger Sub to effect the Merger shall be subject to fulfillment of the following additional conditions, any of which, subject to Section 7.4, may be waived exclusively by Parent:

(a) Representations and Warranties. The representations and warranties of the Company set forth in this Agreement that are qualified as to materiality shall be true and correct as of the date of the Closing and the representations and warranties that are not so qualified shall be true and correct in all material respects, in each case as though made on and as of the date of the Closing (except to the extent any such representation or warranty expressly speaks as of an earlier date); and Parent and Merger Sub shall have received a certificate signed on behalf of the Company by an executive officer of the Company to such effect.

(b) Performance of Obligations. The Company shall have performed in all material respects each material obligation and agreement and shall have complied in all material respects with each material covenant required to be performed and complied with by it under this Agreement at or prior to the Effective Time; and Parent and Merger Sub shall have received a certificate signed on behalf of the Company to such effect.

(c) Absence of Material Adverse Change. There shall not have occurred any Material Adverse Change with respect to the Company.

(d) Absence of Pending Litigation. There shall not be pending by any Governmental Entity any suit, action or proceeding (i) seeking to restrain or prohibit the Merger or the performance of any of the other transactions contemplated by this Agreement, the Stockholder Agreement or the Contribution Agreement or seeking to obtain from the Company or Parent any damages that would have a Material Adverse Effect on Parent or the Company, (ii) seeking to compel the Company or Parent or any of their Affiliates to dispose of or hold separate any material portion of the business or assets of the Company and its Subsidiaries, taken as a whole, or Parent and its Subsidiaries, taken as a whole, as a result of the Merger or any of the other transactions contemplated by this Agreement, the Stockholder Agreement or the Contribution Agreement or (iii) which otherwise is reasonably likely to have a Material Adverse Effect on the Company, other than such suits, actions or proceedings which, in the reasonable opinion of both counsel to Parent and to the Company, are unlikely to result in an adverse judgement.

(e) Stockholder Agreement and Contribution Agreement. Neither Bank One nor First USA shall have terminated the Stockholder Agreement or the Contribution Agreement (whether or not in accordance with the terms

thereof) and neither Bank One nor First USA shall be in material breach thereof or shall have indicated its intention not to perform such party's obligations thereunder.

(f) Accounting Matters Applicable to Bank One. The conditions set forth in Section 5.9 of the Contribution Agreement shall have been fulfilled or waived pursuant to the terms of the Contribution Agreement.

Section 6.3. Additional Conditions to Obligation of the Company. The obligation of the Company to effect the Merger shall be subject to fulfillment of the following additional conditions, any of which, subject to Section 7.4, may be waived exclusively by the Company:

(a) Representations and Warranties. The representations and warranties of Parent and Merger Sub set forth in this Agreement that are qualified as to materiality shall be true and correct as of the date of the Closing and the representations and warranties that are not so qualified shall be true and correct in all material respects, in each case as though made on and as of the date of the Closing (except to the extent any such representation or warranty expressly speaks as of an earlier date); and the Company shall have received certificates signed on behalf of each of Parent and Merger Sub by an executive officer of each to such effect.

(b) Performance of Obligations. Parent and Merger Sub shall have performed in all material respects each material obligation and agreement and shall have complied in all material respects with each material covenant required to be performed and complied with by either of them under this Agreement at or prior to the Effective Time; and the Company shall have received certificates signed on behalf of each of Parent and Merger Sub to such effect.

ARTICLE VII

TERMINATION, AMENDMENT AND WAIVER

Section 7.1 Termination. This Agreement may be terminated at any time prior to the Effective Time, whether before or after approval of this Agreement by the stockholders of the Company:

(a) by mutual written consent of Parent and the Company;

(b) by either Parent or the Company:

(i) if the Merger shall not have been consummated prior to October 1, 1999; provided, however, that the right to terminate this Agreement pursuant to this Section 7.1(b)(i) shall not be available to any party whose failure to perform any of its obligations under this Agreement results in the failure of any such condition or if the failure of such condition results from facts or circumstances that constitute a breach of any representation or warranty under this Agreement by such party; or

(ii) if any Governmental Entity shall have issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Merger or the other transactions contemplated by this Agreement, the Stockholder Agreement or the Contribution Agreement and such order, decree or ruling or other action shall have become final and nonappealable;

(c) by Parent or the Company in the event of a breach by the other (or Merger Sub, in the case of Parent) of any representation, warranty, covenant or other agreement contained in this Agreement which (i) would reasonably be expected to give rise to the failure of a condition set forth in Sections 6.2 (a) or (b) or 6.3 (a) or (b), as the case may be, and (ii) cannot be or has not been cured within 30 days after the giving of written notice of such breach to the Company;

(d) by Parent if (i) the Board of Directors of the Company or any committee thereof shall have withdrawn or modified in a manner adverse to Parent its approval or recommendation of the Merger or this Agreement, or approved or recommended any Takeover Proposal (whether or not in compliance with Section 4.2) or (ii) the Board of Directors of the Company or any committee thereof shall have resolved to take any of the foregoing actions; or

(e) by the Company prior to receipt of the Company Stockholder Approval if (i) a Takeover Proposal constitutes a Superior Proposal, and (ii) the Board of Directors of the Company reasonably determines in good faith that the failure to terminate this Agreement and accept such Superior Proposal would be inconsistent with such Board's fiduciary duties to the Company and its stockholders or otherwise breach or violate applicable law (based on Legal Advice); provided, however, that this Agreement shall not terminate pursuant to this Section 7.1(e) unless (i) the Company has complied with all provisions of Section 4.2, including the notice provisions therein, (ii) simultaneously with such termination the Company has complied with the requirements of Section 5.3(b) relating to the payment (including the timing of any payment) of the Termination Fee to the extent required by Section 5.3(b) and (iii) simultaneously with such termination the Company enters into a definitive acquisition, merger or similar agreement to effect such Superior Proposal; and provided, further, that the Company may not terminate this Agreement pursuant to this Section 7.1(e) unless and until 120 hours have elapsed following delivery to Parent and Bank One of a written notice of such determination by the Board of Directors of the Company and during such 120 hours Parent has not informed the Company that it is willing to substantially match the terms and conditions of such Superior Proposal.

The right of any party hereto to terminate this Agreement pursuant to this Section 7.1 shall remain operative and in full force and

effect regardless of any investigation made by or on behalf of any party hereto, any person controlling any such party or any of their respective officers or directors, after the execution of this Agreement.

Section 7.2 Effect of Termination. In the event of termination of this Agreement by either Parent or the Company, as provided in Section 7.1, this Agreement shall forthwith become void and there shall be no liability hereunder on the part of the Company, Parent, Merger Sub or their respective officers or directors (except for Section 2.5, 2.7, 3.23, the last sentence of Section 5.2, Section 5.3, this Section 7.2 and Article VIII, all of which shall survive the termination); provided, however, that nothing contained in this Section 7.2 shall relieve any party hereto from any liability for any willful breach of a representation or warranty contained in this Agreement or the material breach of any covenant contained in this Agreement.

Section 7.3 Amendment. This Agreement may be amended by the parties hereto, at any time before or after Company Stockholder Approval (if required by law); provided, that (i) if the Company Stockholder Approval shall have been obtained, thereafter no amendment shall be made which by law requires further approval by such stockholders without such further approval and (ii) no amendment of this Agreement shall be made effective without the prior written consent of Bank One which consent shall not be unreasonably withheld. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 7.4 Extension; Waiver. At any time prior to the Effective Time and subject to in clause (ii) of Section 7.3, the parties hereto may to the extent legally allowed (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of those rights.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.1 Non-Survival of Representations, Warranties and Agreements. None of the representations, warranties and agreements (except those agreements referred to in the immediately following sentence in the event of the Merger or those agreements and matters referred to in Section 7.2 in the event of the termination of this Agreement in accordance with Section 7.1) in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time or the termination of this Agreement pursuant to Section 7.1, as the case may be. This Section 8.1

shall not limit any covenant or agreement of the parties which by its terms contemplates performance after the Effective Time of the Merger.

Section 8.2 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally, one day after being delivered to an overnight courier or when telecopied (with a confirmatory copy sent by overnight courier) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Parent or Merger Sub, to:

First Data Corporation
5660 New Northside Drive
Suite 1400
Atlanta, GA 30328
Attention: General Counsel
Facsimile No.: 770-857-0414

and

Sidley & Austin
One First National Plaza
Chicago, Illinois 60603
Attention: Frederick C. Lowinger
Sherry S. Treston
Facsimile No.: 312-853-7036

(b) if to the Company, to:

Paymentech, Inc.
1601 Elm Street, 9th Floor
Dallas, Texas 75201
Attention: General Counsel
Facsimile No.: 214-849-2068

with a copy to:

Skadden, Arps, Slate, Meagher Flom LLP
919 Third Avenue
New York, New York 10022
Attention: Randall H. Doud, Esq.
Eric J. Friedman, Esq.
Facsimile No.: 212-735-2000

(c) if to Bank One, to:

BANK ONE CORPORATION
One First National Plaza
Law Department
Mail Suite 0287

Chicago, Illinois 60670
Attention: Daniel P. Cooney, Esq.
Facsimile No.: 312-732-3596

Section 8.3 Interpretation; Definitions. (a) When a reference is made in this Agreement to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

(b) As used in this Agreement, the following terms have the meanings specified in this Section 8.3(b) and shall be equally applicable to both the singular and plural forms:

"Bank Card Association" means Mastercard International, Inc., VISA U.S.A., Inc. or VISA International, Inc.

"Bank Cards" means a credit card, charge card, debit card, stored value card or similar instrument that is issued by a licensee of a Bank Card Association.

"Bank Holding Company Act" means the Bank Holding Company Act of 1956, as amended.

"Card Associations" means (i) Bank Card Associations and (ii) Other Card companies (e.g. Discover, JCB, American Express, debit card networks or links) and any other card association or similar entity with whom the Company and/or any of its Subsidiaries may have a contract for processing and/or facilitating settlement of transaction media (including direct send contracts with Bank Card issuing banks) generated by holders of cards or similar instruments issued by licensees of such groups.

"Cards" means Bank Cards and all Other Cards.

"Change in Bank Control Act" means Section 18(c)(1)(A) of the Federal Insurance Corporation Act.

"IRS" means the Internal Revenue Service.

"Material Adverse Change" or "Material Adverse Effect" means, when used with respect to the Company or Parent, as the case may be, any change or effect that is or would reasonably be expected (as far as can be foreseen at the time) to be materially adverse to the business, results of operations, or condition (financial or otherwise), of the Company and its Subsidiaries, taken as a whole, or Parent and its Subsidiaries, taken as a whole; provided, however, that the effects of changes that are generally applicable to the industries in which the Company operates or to the United States economy generally, or which result from the announcement of the

transactions contemplated by this Agreement, shall be excluded from such determination.

"Other Cards" shall include Discover, JCB, American Express, Diners Club, Carte Blanche and any other Card or similar instrument which may be issued by a debit card network or any other Card Association (or licensee thereof) other than Mastercard or Visa.

"Subsidiary" means any corporation, partnership, limited liability company, joint venture or other legal entity of which Parent, Bank One or the Company, as the case may be (either alone or through or together with any other such Subsidiary), owns, directly or indirectly, 50% or more of the stock or other equity interests the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such corporation, partnership, limited liability company, joint venture or other legal entity.

"Transaction Card" means a Card issued pursuant to a license from a Card Association for which the Company and/or any of its Subsidiaries currently provides service support.

(c) The following terms shall have the meanings set forth for such terms in the Sections set forth below:

TERM	SECTION
"Affiliated Person"	Section 3.22
"Agreement"	Preamble
"Alliance"	Recitals
"Bank One"	Recitals
"Banker Opinion"	Section 4.2(a)
"Blue Sky Laws"	Section 2.3
"Certificate of Merger"	Section 1.3
"Certificates"	Section 1.7(b)
"Closing"	Section 1.9
"Company"	Preamble
"Company Business Personnel"	Section 3.15
"Company Charter"	Section 1.5(a)
"Company Common Stock"	Recitals
"Company Foreign Benefit Plan"	Section 3.13(f)
"Company Letter"	Section 3.2
"Company Merchant Contracts"	Section 3.20(c)
"Company Multiemployer Plan"	Section 3.13(a)
"Company Permits"	Section 3.9
"Company Plan"	Section 3.13(a)
"Company Preferred Stock"	Section 3.3
"Company Representatives"	Section 4.2(a)
"Company Restricted Stock Plan"	Section 3.3
"Company SEC Documents"	Section 3.6
"Company Stock Option Plan"	Section 3.3

"Company Stock Options"	Section 3.3
"Company Stock Purchase Plan"	Section 3.3
"Company Stockholder Approval"	Section 2.4
"Compensation Agreements"	Section 3.12
"Computerized Assets"	Section 3.16
"Confidentiality Agreement"	Section 5.2
"Constituent Corporations"	Preamble
"Contribution Agreement"	Recitals
"D&O Insurance"	Section 5.8(b)
"DGCL"	Section 1.2
"Dissenting Shares"	Section 1.6(d)
"Dissenting Stockholder"	Section 1.6(d)
"Effective Time"	Section 1.3
"Environmental Law"	Section 3.19(a)
"Environmental Permit"	Section 3.19(a)
"ERISA"	Section 3.13(a)
"ERISA Affiliate"	Section 3.13(a)
"Exchange Act"	Section 2.4
"First USA"	Recitals
"GAAP"	Section 3.14(a)
"Governmental Entity"	Section 2.3
"Hazardous Substances"	Section 3.19(a)
"Holdco"	Preamble
"HSR Act"	Section 2.3
"Intellectual Property Rights"	Section 3.16
"Legal Advice"	Section 4.2(a)
"Liens"	Section 3.2
"Merger"	Recitals
"Merger Consideration"	Recitals
"Merger Sub"	Preamble
"Option Holder"	Section 5.4(a)
"Parent"	Preamble
"Paying Agent"	Section 1.7(a)
"Proxy Statement"	Section 2.4
"Purchase Plan Option"	Section 5.4(b)
"Real Estate"	Section 3.17(b)
"Schedule 13e-3"	Section 2.4
"SEC"	Section 2.4
"Securities Act"	Section 3.6
"Shares"	Recitals
"Software"	Section 3.16
"State Takeover Approvals"	Section 2.3
"Stockholder Agreement"	Recitals
"Stockholder Meeting"	Section 5.1(a)
"Superior Proposal"	Section 4.2(a)
"Surviving Corporation"	Section 1.2
"Takeover Proposal"	Section 4.2(a)
"Tax Return"	Section 3.10
"Taxes"	Section 3.10
"Termination Fee"	Section 5.3(b)
"Top 25 Customers"	Section 3.20(a)

Section 8.4 Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

Section 8.5 Entire Agreement; No Third-Party Beneficiaries. This Agreement, except as provided in the last sentence of Section 5.2, constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement, except for the provisions of Sections 1.2 and 5.8 and except as expressly set forth in Sections 1.5, 1.7(a), 2.4, 4.2(b), 5.1, 5.5, 5.6, 5.9, 7.3 and 8.5 with respect to Bank One, is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

Section 8.6 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof. In addition, each of the parties hereto (i) consents to submit itself to the personal jurisdiction of any Federal or state court located in the State of Delaware in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iii) waives any objection based on forum non conveniens or any other objection to venue thereof, and (iv) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than a Federal or state court sitting in the State of Delaware.

Section 8.7 Assignment. Subject to Section 1.2, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and permitted assigns.

Section 8.8 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other terms, conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement may be consummated as originally contemplated to the fullest extent possible.

Section 8.9 Enforcement of this Agreement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific wording or were otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, such remedy being in addition to any other remedy to which any party is entitled at law or in equity. Each party hereto waives any right to a trial by jury in connection with any such action, suit or proceeding.

IN WITNESS WHEREOF, Parent, Merger Sub and the Company have caused this Agreement to be signed by their respective officers thereunto duly authorized all as of the date first written above.

FIRST DATA CORPORATION

By: /s/ David J. Treinen

_____

Name: David J. Treinen
Title: Senior Vice President

FB MERGING CORPORATION

By: /s/ David J. Treinen

_____

Name: David J. Treinen
Title: Senior Vice President

PAYMENTECH, INC.

By: /s/ Pamela H. Patsley

_____

Name: Pamela H. Patsley
Title: President and Chief Executive Officer

As of the Effective Time, the Company Charter shall be amended to read in its entirety as follows:

FIRST: The name of this corporation (hereinafter called the "Corporation") is

Paymentech, Inc.

SECOND: The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The amount of the total authorized capital stock of this Corporation is Ten Dollars ($10.00) divided into 1,000 shares, par value $0.01 per share.

EXHIBIT 10.1

EXECUTION COPY

STOCKHOLDER AGREEMENT

THIS STOCKHOLDER AGREEMENT (this "Agreement") is dated as of March 22, 1999, among First Data Corporation, a Delaware corporation ("FDC"), FDC Offer Corporation, a Delaware corporation and a direct wholly-owned subsidiary of FDC ("Holdco"), FB Merging Corporation, a Delaware corporation and a direct wholly-owned subsidiary of Holdco ("Merger Sub"), BANK ONE CORPORATION, a Delaware corporation ("Bank One"), and First USA Financial, Inc., a Delaware corporation and wholly-owned subsidiary of Bank One ("First USA").

W I T N E S S E T H:

WHEREAS, concurrently herewith, FDC, Merger Sub and Paymentech, Inc., a Delaware corporation (the "Company"), are entering into an Agreement and Plan of Merger, a form of which is appended hereto as Exhibit A (as such agreement may hereafter be amended from time to time, the "Merger Agreement"), pursuant to which Merger Sub will be merged into the Company (the "Merger").

WHEREAS, the Merger Agreement contemplates that Merger Sub will be merged into the Company, upon the terms and subject to the conditions set forth therein, and pursuant to which each of the issued and outstanding shares, par value $.01 per share, of common stock of the Company (the "Company Common Stock") not owned directly or indirectly by Parent, Bank One, the Company or any of their Subsidiaries (including, without limitation, Merger Sub) (other than such shares held by Parent, Bank One, the Company or any of their Subsidiaries in a fiduciary, collateral, custodial or similar capacity which will be converted) will be converted into the right to receive the Merger Consideration;

WHEREAS, First USA Beneficially Owns (as defined herein) 19,979,081 shares of the Company Common Stock (all such shares so owned and which may hereafter be acquired by First USA prior to the termination of this Agreement, whether by means of purchase, dividend, distribution, split-up, recapitalization, combination, exchange of shares or otherwise, being referred to herein as the "First USA Shares");

WHEREAS, the Merger Agreement contemplates that First USA shall,

in a tax-free exchange pursuant to Section 351 of the Internal Revenue Code of 1986, as amended (the "Code"), contribute the Company Common Stock owned by it to Holdco and Holdco will make a capital contribution of such Company Common Stock to Merger Sub;

WHEREAS, contemporaneously with the First USA contribution, FDC shall contribute sufficient cash to pay the aggregate Merger Consideration to Holdco and Holdco will make a capital contribution of such cash to Merger Sub;

WHEREAS, concurrently herewith, FDC and Bank One are entering into a Contribution Agreement (the "Contribution Agreement"), which provides that following the Merger, FDC and Bank One will, through Holdco, cause substantially all of the assets and liabilities and business of the Company, as the Surviving Corporation, to be contributed to Bank One Payment Services L.L.C., a Delaware limited liability company and an alliance between wholly-owned subsidiaries of FDC and Bank One (the "Alliance"), in exchange for a membership interest in the Alliance;

WHEREAS, as an inducement and a condition to entering into the Merger Agreement, FDC and Merger Sub have required that each of Bank One and First USA agree, and each of Bank One and First USA has agreed, to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, representations, warranties, covenants and agreements contained herein, the parties hereby agree as follows:

1. Agreement to Vote: Restriction on Transfer. Proxies and Non-Interference.

(a) First USA hereby agrees that during the period commencing on the date hereof and continuing until the termination of this Agreement in accordance with its terms, at any meeting of the holders of the Company Common Stock, however called, or in connection with any written consent of the holders of the Company Common Stock, First USA shall vote (or cause to be voted) the First USA Shares, (i) in favor of adoption of the Merger Agreement and the approval of the Merger, all other transactions contemplated thereby, and any actions required in furtherance thereof and hereof; (ii) against any action or agreement that is intended, or could reasonably be expected, to impede, interfere with, or prevent the Merger or result in a breach in any respect of any covenant, representation or warranty or any other obligation or agreement of the Company or any of its subsidiaries under the Merger Agreement or this Agreement; and (iii) except as specifically requested in writing in advance by FDC or as permitted pursuant to the terms of the Merger Agreement, against the following actions (other than the Merger and the transactions contemplated by or required to implement the Merger Agreement, this Agreement and the Contribution Agreement): (A) any extraordinary corporate transaction, such as a merger, consolidation or other business combination involving the Company or any of its subsidiaries or affiliates; (B) a sale, lease,

transfer or disposition by the Company or any of its subsidiaries of any assets outside the ordinary course of business or any assets which in the aggregate are material to the Company and its subsidiaries taken as a whole, or a reorganization, recapitalization, dissolution or liquidation of the Company or any of its subsidiaries or affiliates; (C)(1) any change in the management of the Company or any of its subsidiaries or in a majority of the persons who constitute the board of directors of the Company or any of its subsidiaries; (2) any change in the present capitalization of the Company or any of its subsidiaries or any amendment of the Company's charter or by-laws or the charter or by-laws of any of its subsidiaries; (3) any other material change in the Company's or any of its subsidiaries' corporate structure or business; or (4) any other action that, in the case of each of the matters referred to in clauses (C)(1), (2) or (3), is intended, or could reasonably be expected, to impede, interfere with, delay, postpone or materially adversely affect the Merger or the transactions contemplated by this Agreement, the Contribution Agreement and the Merger Agreement. Neither Bank One nor First USA shall enter into any agreement or understanding with any Person (as defined herein) the effect of which would be inconsistent with or violative of the provisions and agreements contained in this Agreement.

(b) First USA shall not, directly or indirectly: (i) tender the First USA Shares in any tender offer for the Company Common Stock; (ii) except as contemplated by this Agreement, the Contribution Agreement or the Merger Agreement, otherwise offer for sale, sell, transfer, tender, pledge, encumber, assign or otherwise dispose of, or enter into any contract, option or other arrangement or understanding with respect to or consent to the offer for sale, transfer, tender, pledge, encumbrance, assignment or other disposition of, any or all of the First USA Shares or any interest therein; (iii) grant any proxies or powers of attorney, deposit any First USA Shares into a voting trust or enter into a voting agreement with respect to any First USA Shares; or (iv) take any action that would make any representation or warranty of First USA contained herein that is qualified by materiality untrue or incorrect in any respect or any representation or warranty of First USA contained herein that is not so qualified untrue or incorrect in any material respect or have the effect of preventing or disabling First USA from performing First USA's obligations under this Agreement.

(c) So long as this Agreement remains in effect, each instrument or certificate evidencing or representing First USA Shares shall bear a legend substantially to the following effect:

> "The shares of Common Stock represented by this certificate are subject to the transfer and other restrictions stated in a Stockholder Agreement dated as of March 22, 1999, a copy of which is on file at the office of the Assistant Secretary of BANK ONE CORPORATION."

(d) First USA agrees with, and covenants to, FDC that First USA shall not request that the Company register the transfer (book-entry or otherwise) of any certificate or uncertificated interest representing any

of the First USA Shares, unless such transfer is made in compliance with this Agreement.

2. Waiver of Appraisal and Dissenter's Rights. First USA hereby irrevocably waives any rights of appraisal or rights to dissent from the Merger that it may have.

3. Schedule 13e-3. FDC, Holdco, Merger Sub, Bank One and First USA shall, in accordance with the rules and regulations of the SEC, file with the SEC a Rule 13e-3 Transaction Statement (such Rule 13e-3 Transaction Statement, as amended from time to time, the "Rule 13e-3 Transaction Statement"), with respect to the Merger Agreement and the Contribution Agreement, and such parties shall cause to be disseminated the information contained therein to holders of the shares of the Company Common Stock as and to the extent required by the applicable rules and regulations of the SEC. Each of the parties hereto agrees promptly to correct any information provided by it for use in the Rule 13e-3 Transaction Statement if and to the extent that such information shall have become false or misleading in any material respect, and such parties further agree to take all steps necessary to cause the Rule 13e-3 Transaction Statement as so corrected to be filed with the SEC and the information contained in such corrected filing to be disseminated to holders of shares of the Company Common Stock, in each case as and to the extent required by the applicable rules and regulations of the SEC. FDC and its counsel shall be given reasonable opportunity to review and comment on the Rule 13e-3 Transaction Statement prior to its filing with the SEC or dissemination to the stockholders of the Company. Bank One and First USA agree to provide FDC and its counsel any comments Bank One, First USA or their counsel may receive from the SEC or its staff with respect to the Rule 13e-3 Transaction Statement promptly after the receipt of such comments and to cooperate with FDC and its counsel in responding to any such comments. The parties hereto jointly agree to cause the Rule 13e-3 Transaction Statement to comply as to form in all material respects with the requirements of the Exchange Act and to allow the Company to rely upon such agreement to do so.

4. No Solicitation. (a) Other than with respect to the Excluded Assets, Bank One and its affiliates shall immediately cease existing discussions or negotiations, if any, with any parties conducted heretofore with respect to any acquisition of all or any material portion of the assets of, or any equity interest in, the Company or any of its subsidiaries or any business combination with the Company or any of its subsidiaries.

(b) Bank One and First USA shall not, nor shall they authorize or permit any of their affiliates or any director, officer, employee, financial advisor, attorney or other advisor or representative of any of the foregoing to, directly or indirectly: (i) solicit, initiate or encourage any inquiries or the making or implementation of any Takeover Proposal; (ii) make or implement or participate in the making or implementation of any Takeover Proposal; (other than an agreement

conditioned upon the concurrent exercise by the Company, provided that concurrently with the effectiveness of such agreement, the Company exercises the termination right set forth in Section 7.1(e) of the Merger Assignment) (iii) enter into any agreement with respect to or approve or recommend any Takeover Proposal; or (iv) participate in any discussions or negotiations regarding, or furnish to any Person any information with respect to the Company or any of its Subsidiaries in connection with, or take any other action that may reasonably be expected to lead to any Takeover Proposal. Notwithstanding the foregoing, nothing in this Section 4(b) shall prohibit any affiliate of Bank One or First USA (i) from providing shareholder or proxy services in the ordinary course of business of such affiliate or (ii) to the extent such affiliate is acting in a fiduciary capacity, from taking actions directed by one or more of the beneficiaries or other legal representatives involved in the fiduciary relationship or as is otherwise required by reason of the fiduciary relationship. Any action taken by the Company or any member of the Board of Directors of the Company in accordance with Section 4.2 of the Merger Agreement shall be deemed not to violate this Section 4.

(c) If at any time Bank One or any of its affiliates (other than the Company and its Subsidiaries) is approached (without any joint or related approach to the Company or any of its Subsidiaries) by any Person concerning its participation in a transaction involving any of the assets, businesses or securities of the Company or any subsidiary thereof (other than with respect to the Excluded Assets), Bank One will promptly inform FDC of the nature of such contact and the parties thereto and provide a copy of any such written proposal and a summary of any oral proposal (including the material terms and conditions of such proposal) to FDC immediately after receipt thereof. Notwithstanding the foregoing, nothing in this Section 4(c) shall require any affiliate of Bank One to provide any notification referred to in the preceding sentence if (i) such affiliate's participation in such transaction is limited to the provision of shareholder or proxy services in the ordinary course of business of such affiliate or (ii) if such affiliate is acting in a fiduciary capacity and such participation in such transaction is directed by one or more of the beneficiaries or other legal representatives involved in the fiduciary relationship or as is otherwise required by reason of the fiduciary relationship.

5. Representations and Warranties by Bank One and First USA. Each of Bank One and First USA hereby represents and warrants to FDC, Holdco and Merger Sub as of the date hereof and as of the Closing as follows:

(a) Ownership of Shares. First USA is the record and Beneficial Owner of the First USA Shares and the First USA Shares constitute all of the shares of the Company Common Stock owned of record by First USA other than Shares Beneficially Owned by First USA or Bank One in a fiduciary, custodial, collateral or similar capacity. First USA owns the First USA Shares free and clear of all liens, claims, charges, security interests, mortgages or other encumbrances, and the First USA Shares are

subject to no rights of first refusal, put rights, other rights to purchase or encumber the First USA Shares, or to any agreements other than this Agreement as to the encumbrance or disposition of the First USA Shares. First USA has sole voting power and sole power to issue instruction with respect to the matters set forth in Section 1 hereof, sole power of disposition, sole power of conversion, sole power to demand appraisal rights and sole power to agree to all of the matters set forth in this Agreement, in each case with respect to all of the First USA Shares, with no limitations, qualifications or restrictions on such rights.

(b) Power; Binding Agreement. Each of Bank One and First USA is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all requisite corporate power and authority to execute, deliver and perform all of its obligations under this Agreement and to consummate the transactions contemplated by this Agreement. The execution, delivery and performance of this Agreement by each of Bank One and First USA, and the consummation of the transactions contemplated hereby, has been or will be duly authorized by all necessary corporate action on the part of Bank One and First USA and no other corporate proceedings on the part of Bank One or First USA or their respective Board of Directors are or will be necessary to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by each of Bank One and First USA and constitutes a valid and binding agreement of each of Bank One and First USA, enforceable against each of Bank One and First USA in accordance with its terms, except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and except as the availability of equitable remedies may be limited by the application of general principles of equity (regardless of whether such equitable principles are applied in a proceeding at law or in equity).

(c) No Conflicts. Except for filings, permits, authorizations, consents and approvals as may be required under the HSR Act and the SEC with respect to the Rule 13E-3 Transaction Statement, no filing with, and no permit, authorization, consent or approval of, any state or federal public body or authority is necessary for the execution of this Agreement by Bank One or First USA and the consummation by Bank One and First USA of the transactions agreed to in this Agreement and none of the execution or delivery of this Agreement by Bank One and First USA, the consummation by Bank One and First USA of the transactions agreed to in this Agreement or compliance by Bank One and First USA with any of the provisions hereof shall (i) conflict with, violate, result in a breach of, or constitute a default under the charter or by-laws of Bank One or First USA, (ii) conflict with (A) any Court Order to which Bank One or First USA is a party or by which Bank One or First USA is bound or (B) any Requirements of Law affecting Bank One or First USA, other than for any such conflicts, violations, breaches or defaults that individually or in the aggregate would not have a material adverse effect on Bank One, or (iii) conflict with or violate in any material manner or result in any material breach of, or constitute a material default under any material

voting agreement, shareholder agreement or voting trust or any material note, instrument, agreement, mortgage, lease, license, franchise, permit or other authorization, right, restriction or obligation to which Bank One or First USA is a party or by which Bank One or First USA or, to the best of Bank One's or First USA's knowledge, any of Bank One's or First USA's properties or assets may be bound. This Agreement hereby supersedes all prior agreements to which Bank One or First USA is a party with respect to Bank One's or First USA's Shares.

(d) No Finder's Fees. No broker, investment banker, financial adviser or other Person is entitled to any broker's, finder's, financial adviser's or other similar fee or commission from First USA or Bank One in connection with the transactions contemplated by the Merger Agreement, this Agreement or the Contribution Agreement based upon arrangements made by or on behalf of Bank One or First USA.

6. Representations and Warranties by FDC, Holdco and Merger Sub.

(a) Power; Binding Agreement. Each of FDC, Holdco and Merger Sub is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all requisite corporate power and authority to enter into and perform all of its obligations under this Agreement. The execution, delivery and performance of this Agreement by each of FDC, Holdco and Merger Sub, and the consummation of the transactions contemplated hereby, has been duly authorized by all necessary corporate action on the part of FDC, Holdco and Merger Sub. This Agreement has been duly and validly executed and delivered by each of FDC, Holdco and Merger Sub and constitutes a valid and binding agreement of each of FDC, Holdco and Merger Sub, enforceable against each of FDC, Holdco and Merger Sub in accordance with its terms, except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and except as the availability of equitable remedies may be limited by the application of general principles of equity (regardless of whether such equitable principles are applied in a proceeding at law or in equity).

(b) No Conflicts. Except for filings, permits, authorizations, consents and approvals as may be required under the HSR Act and with the SEC with respect to the Rule 13e-3 Transaction Statement, no filing with, and no permit, authorization, consent or approval of, any state or federal public body or authority is necessary for the execution of this Agreement by FDC, Holdco or Merger Sub and the consummation by FDC, Holdco and Merger Sub of the transactions contemplated hereby and none of the execution or delivery of this Agreement by FDC, Holdco or Merger Sub, the consummation by FDC, Holdco and Merger Sub of the transactions contemplated hereby or compliance by FDC, Holdco and Merger Sub with any of the provisions hereof shall (i) conflict with, violate, result in a breach of, or constitute a default under the charter or by-laws of FDC, Holdco or Merger Sub, (ii) conflict with (A) any Court Order to which FDC, Holdco or

Merger Sub is a party or by which FDC, Holdco or Merger Sub is bound or (B) any Requirements of Law affecting FDC, Holdco or Merger Sub, other than for any such conflicts, violations, breaches or defaults that individually or in the aggregate would not have a material adverse effect on FDC, or (iii) conflict with or violate in any material manner or result in any material breach of, or constitute a material default under any material voting agreement, shareholder agreement, voting trust, note, instrument, agreement, mortgage, lease, license, franchise, permit or other authorization, right, restriction or obligation to which FDC, Holdco or Merger Sub is a party or by which FDC, Holdco or Merger Sub or, to the best of FDC's, Holdco's or Merger Sub's knowledge, any of FDC's, Holdco's or Merger Sub's properties or assets may be bound.

(c) No Finder's Fees. No broker, investment banker, financial adviser or other Person, other than Morgan Stanley Dean Witter & Co., the fees and expenses of which will be paid by FDC, is entitled to any broker's, finder's, financial adviser's or other similar fee or commission in connection with the transactions contemplated by the Merger Agreement based upon arrangements made by or on behalf of FDC, Holdco or Merger Sub.

7. Further Assurances. From time to time, at FDC's request and without further consideration, First USA agrees to execute and deliver such additional documents and take such further lawful action as may be necessary or desirable to consummate and make effective, and to cause the Company to consummate and make effective the transactions provided for in this Agreement, it being understood and agreed that First USA shall not be required hereunder to make any payment (other than customary administrative and processing fees and reasonable legal expenses), commence litigation or agree to any material agreements in connection with the foregoing.

8. Actions Taken Prior to Consummation of the Merger. (a) Each of the parties hereto shall take, or cause to be taken, the actions when and as contemplated by Section 1.1 of the Merger Agreement to be taken by such party; provided, however that the obligation of First USA to contribute shares of Company Common Stock owned by it to Holdco shall be subject to the receipt by First USA of a written opinion of Wachtell, Lipton, Rosen & Katz to the effect that such contribution and the receipt of ownership interests in Holdco by First USA shall constitute a transaction qualifying under Section 351 of the Code. The stockholder agreement relating to the governance of Holdco and the Company described therein will be in the form attached hereto as Exhibit B. The total number of shares of common stock to be issued to FDC and First USA in exchange for their respective contributions to Holdco as contemplated by such Section 1.1 will be in an amount to be agreed upon between First USA and FDC and will be allocated in the following percentages: (A) to First USA, the percentage (the "First USA Percentage") obtained by dividing (i) the total number of shares of Company Common Stock which are contributed by First USA to Holdco in accordance with Section 1.1 of the Merger Agreement and Section 8 of this Agreement by (ii) the total number of shares of Company Common Stock outstanding immediately prior to the Effective Time; and (B) to FDC, the percentage obtained by subtracting the First USA percentage

from 100%. The parties hereto agree to cause Merger Sub to cause all shares of the Company Common Stock owned by it to be voted in approval of the Merger.

(b) Bank One, as lender under that certain Credit Agreement, dated February 18, 1999, between Bank One and the Company, hereby grants all consents required to be obtained by the Company pursuant to such Credit Agreement in connection with the transactions contemplated by this Agreement, the Merger Agreement and the Contribution Agreement.

9. Actions Taken After Consummation of the Merger.

(a) Each of the parties hereto will take all steps reasonably necessary to cause the consummation of the transactions contemplated by the Contribution Agreement.

(b) Each of the parties hereto agree to cause the Surviving Corporation to comply with the covenants set forth in Section 5.8 of the Merger Agreement.

(c) FDC, Bank One and First USA shall take actions necessary to cause the Board of Directors of the Surviving Corporation, immediately after the Effective Time and until the closing of the transactions contemplated by the Contribution Agreement occurs, to consist of nine members, five of whom will be designated by Bank One and four of whom will be designated by FDC. After the Closing (as defined in the Contribution Agreement) Bank One and First USA shall take actions necessary to cause the Board of Directors of the Surviving Corporation to consist of four members, two of whom will be designated by Bank One and two of whom will be designated by FDC.

(d) Following any payment by the Surviving Corporation in respect of Dissenting Shares pursuant to Section 262 of the DGCL (excluding any Dissenting Shares held by stockholders who shall have failed to perfect or who effectively shall have withdrawn or lost their rights to appraisal of such Shares under Section 262 of the DGCL), FDC shall pay to the Surviving Corporation, as a capital contribution (but without the issuance of any additional shares of capital stock), an amount, in respect of each such Dissenting Share, equal to the amount paid by the Surviving Corporation in respect of such Dissenting Share; provided, however, that at such time as the aggregate amount paid to the Surviving Corporation pursuant to this sentence is equal to the sum of (i) the product obtained by multiplying the number of Dissenting Shares in respect of which payment is made multiplied by the Merger Consideration and (ii) $2 million, then any payments thereafter made by FDC pursuant to this sentence shall be limited to an amount per Share equal to the Merger Consideration. Following any payment by the Surviving Corporation in respect of Dissenting Shares that are held by stockholders who shall have failed to perfect or who effectively shall have withdrawn or lost their rights to appraisal of such Shares under Section 262 of the DGCL but as to which Shares a contribution of cash to Holdco by Parent was not made pursuant to Section

1.1 of the Merger Agreement, FDC shall pay to the Surviving Corporation, as a capital contribution (but without the issuance of any additional shares of capital stock), an amount, in respect of each such Share, equal to the Merger Consideration.

(e) The parties acknowledge and agree that the Surviving Corporation shall bear the financial responsibility for amounts required to be paid in respect of the Company Stock Options pursuant to Section 5.4 of the Merger Agreement.

10. Termination. Except as otherwise provided herein, the covenants and agreements contained herein shall terminate and have no further force or effect upon the earliest of (i) the written consent of the parties hereto, (ii) termination of the Merger Agreement in accordance with its terms (including, without limitation, termination of the Merger Agreement by the Company pursuant to Section 7.1(e) of the Merger Agreement), (iii) failure to receive the opinion required under Section 8 hereof, (iv) the consummation of the transactions contemplated by the Contribution Agreement, and (v) the termination of the Contribution Agreement in accordance with its terms. No termination of this Agreement shall relieve any party hereto from any liability for any breach of this Agreement.

11. Miscellaneous.

(a) Certain Definitions. Capitalized terms used herein and not defined herein shall have the respective meanings assigned to them in the Merger Agreement. As used in this Agreement, the following capitalized terms shall have the following meanings:

(i) "Beneficially Own" or "Beneficial Ownership" with respect to any securities shall mean having "beneficial ownership" of such securities (as determined pursuant to Rule 13d-3 under the Exchange Act), including pursuant to any agreement, arrangement or understanding, whether or not in writing, but excluding securities held in a fiduciary, custodial, collateral or similar capacity. Without duplicative counting of the same securities by the same holder, securities Beneficially Owned by a Person shall include securities Beneficially Owned by all other Persons with whom such Person would constitute a "group" as within the meanings of Section 13(d)(3) of the Exchange Act.

(ii) "Court Order" has the meaning assigned to it in the Contribution Agreement.

(iii) "Excluded Assets" has the meaning assigned to it in the Contribution Agreement.

(iv) "Person" means any general partnership, limited partnership, corporation, limited liability company, joint

venture, trust, business trust, governmental agency, cooperative, association, individual or other entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such Person as the context may require.

(v) "Requirements of Law" has the meaning assigned to it in the Contribution Agreement.

(vi) "Subsidiary" or "subsidiaries" of FDC, Holdco, Merger Sub, Bank One, First USA or any other Person means any corporation, partnership, limited liability company, association, trust, unincorporated association or other legal entity of which FDC, Holdco, Merger Sub, Bank One, First USA or any such other Person, as the case may be (either alone or through or together with any other subsidiary), owns, directly or indirectly, 50% or more of the capital stock the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such corporation or other legal entity.

(b) Entire Agreement. This Agreement, the Contribution Agreement and the Merger Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

(c) Certain Events. Bank One and First USA agree that this Agreement, the Contribution Agreement and the obligations hereunder shall attach to the First USA Shares and shall be binding upon any Person or entity to which legal or beneficial ownership of the First USA Shares shall pass, whether by operation of law or otherwise. Notwithstanding any transfer of the First USA Shares, the transferor shall remain liable for the performance of all obligations under this Agreement of the transferor.

(d) Assignment. This Agreement shall not be assigned by operation of law or otherwise without the prior written consent of the other parties, provided that FDC may assign, in its sole discretion, its rights and obligations hereunder to any direct or indirect wholly-owned subsidiary of FDC, but no such assignment shall relieve FDC of its obligations hereunder if such assignee does not perform such obligations.

(e) Amendments, Waivers, Etc. This Agreement may not be amended, changed, supplemented, waived or otherwise modified or terminated, except upon the execution and delivery of a written agreement executed by the relevant parties hereto.

(f) Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly received if so given) by hand delivery, telegram, telex or telecopy, or by mail (registered or certified mail, postage prepaid, return receipt requested) or by any courier service, such as Federal Express, providing proof of delivery. All communications

hereunder shall be addressed to the respective parties at the following addresses:

If to Bank One or First USA:

BANK ONE CORPORATION
One First National Plaza
Law Department
Mail Suite 0287
Chicago, Illinois 60670
Attention: Daniel P. Cooney
Facsimile No.: (312) 732-3596

with a copy to:

First USA Financial, Inc.
3 Christiana Centre
201 Walnut Street
10th Floor
Wilmington, Delaware 19801
Attention: Phillip L. Weaver
Facsimile No.: (302) 985-8433

If to FDC, Holdco or Merger Sub:

First Data Corporation
5660 New Northside Dr.
Suite 1400
Atlanta, GA 30328
Attention: General Counsel
Facsimile No.: (770) 857-0414

with a copy to:

Sidley & Austin
One First National Plaza
Chicago, IL 60603
Attention: Frederick C. Lowinger
Sherry S. Treston
Facsimile No.: (312) 853-7036

or to such other address as the Person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

(g) Severability. Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or

unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

(h) Specific Performance. Each of the parties hereto recognizes and acknowledges that a breach by it of any covenants or agreements contained in this Agreement will cause the other party to sustain damages for which it would not have an adequate remedy at law for money damages, and therefore each of the parties hereto agrees that in the event of any such breach the aggrieved party shall be entitled to the remedy of specific performance of such covenants and agreements and injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.

(i) Remedies Cumulative. All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

(j) No Waiver. The failure of any party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such party of its right to exercise any such or other right, power or remedy or to demand such compliance.

(k) No Third Party Beneficiaries. This Agreement, except as expressly set forth in Section 3 with respect to the Company, is not intended to be for the benefit of, and shall not be enforceable by, any Person who is not a party hereto.

(l) Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Delaware, without giving effect to the principles of conflicts and laws thereof.

(m) Descriptive Headings. The descriptive headings used herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

(n) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Agreement.

(o) Expenses. All costs and expenses incurred in connection with the transactions contemplated by this Agreement shall be for the account of the party incurring such costs and expenses.

IN WITNESS WHEREOF, FDC, Holdco, Merger Sub, Bank One and First USA have caused this Agreement to be duly executed as of the day and year first above written.

FIRST DATA CORPORATION

By /s/ David J. Treinen

_____

Name: David J. Treinen
Title: Senior Vice President

FDC OFFER CORPORATION

By /s/ David J. Treinen

_____

Name: David J. Treinen
Title: Senior Vice President

FB MERGING CORPORATION

By /s/ David J. Treinen

_____

Name: David J. Treinen
Title: Senior Vice President

BANK ONE CORPORATION

By /s/ Richard J. Lehmann

_____

Name: Richard J. Lehmann
Title: President and Chief Operating Officer

FIRST USA FINANCIAL, INC.

By /s/ Phillip L. Weaver

_____

Name: Phillip L. Weaver
Title: Executive Vice President

Strategic Planning

EXHIBIT 10.2

EXECUTION COPY

CONTRIBUTION AGREEMENT

DATED AS OF MARCH 22, 1999

BETWEEN

FIRST DATA CORPORATION

AND

BANK ONE CORPORATION

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CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT, dated as of March 22, 1999 (this "Agreement"), between First Data Corporation, a Delaware corporation ("FDC"), and BANK ONE CORPORATION, a Delaware corporation ("Bank One").

W I T N E S E T H:

WHEREAS, First Data Merchant Services Corporation, a Florida corporation ("FDMS") and wholly owned subsidiary of FDC (successor to Card Establishment Services, Inc.), First Data Resources Inc., a Delaware corporation ("FDR") and wholly owned subsidiary of FDC, and Banc One POS Services Corporation, an Ohio corporation ("Banc One POS") and wholly owned subsidiary of Bank One, entered into an Alliance Agreement dated June 15, 1995, as amended on January 10, 1996 (the "Alliance Agreement");

WHEREAS, FDMS, Banc One POS, and Banc One Payment Services L.L.C., a Delaware limited liability company (the "Alliance") have entered into a Limited Liability Company Agreement dated January 10, 1996, as amended on December 31, 1996 (the "Formation Agreement");

WHEREAS, Bank One, through its wholly-owned subsidiary, First USA Financial, Inc., a Delaware corporation ("FUSA"), holds approximately 55% of the issued and outstanding common stock of Paymentech, Inc., a Delaware corporation ("Alpha");

WHEREAS, FDC proposes to negotiate and enter into, or cause an Affiliate to enter into, an agreement of merger (the "Merger Agreement") with Alpha pursuant to which all the issued and outstanding common stock of Alpha not owned, directly or indirectly, by Bank One will be acquired by such Affiliate (the "Merger"), and FDC and Bank One propose to negotiate and enter into, or cause an Affiliate to enter into a stockholders agreement (the "Stockholders Agreement") governing certain actions of FDC, Bank One and/or certain of their Affiliates relative to Alpha and certain Affiliates of Alpha;

WHEREAS, following the Merger, FDC and Bank One desire to cause the assets and liabilities and business operations of Alpha to be contributed to the Alliance in exchange for a Membership Interest, as defined in the Operating Agreement (as defined herein), in the Alliance;

WHEREAS, upon the Closing, as hereinafter defined, FDC and Bank One shall cause the members of the Alliance, including Alpha, to enter into an amended and restated limited liability company agreement (the "Operating Agreement") in the form attached hereto as Exhibit A;

WHEREAS, in recognition of the additional capabilities that the Alliance will have upon the contribution to the Alliance of the assets and business of Alpha, upon the Closing, FDC and Bank One shall cause the Alliance and FDMS to execute an amended and restated processing agreement (the "Revised Processing Agreement") in the form of the agreement dated as of March 22, 1999 between FDMS and Paymentech Merchant Services, Inc., except for such changes necessary to reflect the appropriate parties thereto and except as described on Exhibit G attached hereto;

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

ARTICLE I

DEFINITIONS

1.1. DEFINITIONS. In this Agreement, unless the context shall otherwise require, the capitalized terms used herein shall have the

respective meanings specified or referred to in Annex I hereto, which is incorporated by reference herein. Each agreement referred to in Annex I shall mean such agreement as amended, supplemented and modified from time to time to the extent permitted by the applicable provisions thereof and hereof.

1.2. INTERPRETATION. Each definition contained or referred to in this Agreement includes the singular and the plural, and reference to the neuter gender includes the masculine and feminine where appropriate. References to any statute or regulation means such statute or regulations as amended at the time and includes any successor legislation or regulations. The headings to the Articles and Sections are for convenience of reference and shall not affect the meaning or interpretation of this Agreement. Except as otherwise stated, reference to Articles, Sections, Exhibits and Schedules means the Articles, Sections, Exhibits and Schedules of this Agreement. The Exhibits and Schedules are hereby incorporated by reference into and shall be deemed a part of this Agreement.

ARTICLE II

PRELIMINARY TRANSACTIONS

2.1. DIVESTITURE OF EXCLUDED ASSETS. Upon the terms and subject to the conditions of this Agreement, Bank One and FDC shall cause the spin-off, sale or other disposition of the capital stock or, at the election of Bank One, the assets and liabilities of First USA Financial Services, Inc., a Utah industrial loan company ("FUFSI"), and the capital stock of Message Media, Inc., a Delaware corporation ("Message Media"). With respect to FUFSI, such spin-off, sale or divestiture shall occur promptly following the consummation of the Merger and in any event prior to the Closing Date unless such spin-off, sale or other disposition shall have been previously effected with the consent of FDC. With respect to Message Media, such spin-off, sale or divestiture shall occur as soon as practical after the date hereof and in any event prior to the Closing Date. Such spin-off, sale or other disposition of FUFSI shall be for a net aggregate consideration to Alpha as shall be mutually agreed upon by FDC and Bank One or, if FDC and Bank One are not able to agree, for such net aggregate consideration as shall be determined pursuant to the Appraisal Procedure. Such spin-off, sale or other disposition of Message Media shall be for a net aggregate consideration to Alpha realized from the sale of such stock in the open market.

2.2. SUBSIDIARIES OF ALPHA. Upon the terms and subject to the conditions of this Agreement, unless Bank One and FDC shall mutually agree to the contrary, Bank One and FDC shall make appropriate mutually agreeable arrangements to retain the Subsidiaries of Alpha in existence as Subsidiaries of Alpha after the Closing or, if mutually agreed, to merge or otherwise combine one or more such Subsidiaries into or with one or more other such Subsidiaries, and in each case thereafter cause the assets, liabilities and business of each surviving Subsidiary to be contributed

(directly or indirectly) to the Alliance in exchange for a Membership Interest, as defined in the Operating Agreement, in the Alliance. References herein to Alpha shall, where appropriate, be deemed to be references to Alpha and each surviving Subsidiary of Alpha.

ARTICLE III

CLOSING

3.1. TIME AND PLACE OF CLOSING. Subject to the terms and conditions set forth herein, the closing of the transactions contemplated hereby (the "Closing") shall take place at 10:00 a.m. central time on the third Banking Day following the satisfaction of the closing conditions specified in Article V or such later date as may be agreed upon by the parties hereto after the conditions set forth in Article V have been satisfied or waived,(the "Closing Date"), at the offices of Sidley & Austin, Chicago, Illinois, or at such other time and place as the parties hereto shall agree. All of the actions scheduled in this Agreement for the Closing Date taken or occurring on the Closing Date shall be deemed to occur simultaneously thereon.

3.2. EXECUTION AND/OR AMENDMENT OF AGREEMENTS. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Bank One and FDC, respectively, shall cause each of the agreements listed in Section 5.5 to be executed and delivered by the appropriate parties thereto.

3.3. CONTRIBUTION OF SPECIFIED ASSETS AND LIABILITIES. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, FDC and Bank One, respectively, shall cause the Contributed Assets and the Assumed Liabilities to be transferred to the Alliance as set forth in Article IV and shall cause the Alliance to assume all such Assumed Liabilities.

3.4. ALPHA DELIVERIES. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Bank One and FDC, respectively, shall cause Alpha to deliver to the Alliance all of the following:

(a) Certified copies of resolutions of the stockholders and the Board of Directors of Alpha authorizing the transactions contemplated hereby;

(b) An instrument of assignment and assumption in form and substance reasonably satisfactory to Bank One and FDC (the "Instrument of Assignment and Assumption");

(c) Certificates of title or origin (or like documents) with respect to any of the Contributed Assets for which a certificate of title or origin is required in order to transfer title;

(d) Any consents, waivers or approvals obtained by Alpha with respect to the Contributed Assets or the consummation of the transactions contemplated by this Agreement; and

(e) Such other bills of sale, assignments and other instruments of transfer or conveyance as either Bank One or FDC may reasonably request or as may otherwise be necessary to evidence and effect the assignment, transfer, conveyance and delivery of the Contributed Assets by Alpha to the Alliance.

3.5. ALLIANCE DELIVERIES. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Bank One and FDC, respectively, shall cause the Alliance to deliver to Alpha all of the following:

(a) The Instrument of Assignment and Assumption;

(b) Such other instruments as either Bank One or FDC may reasonably request or as may be otherwise necessary to evidence or effect the assumption by the Alliance of the Assumed Liabilities

In addition to the foregoing, on the Closing Date, Alpha will receive a Membership Interest (as such term is defined in the Operating Agreement) in the Alliance as described in Section 4.2 of the Operating Agreement. Bank One and FDC agree that Alpha will be acquiring its Membership Interest for its own account for investment and with no present intention of distributing or reselling such Membership Interest or any part thereof. Alpha will be fully informed as to the applicable limitations upon any distribution or resale of the Membership Interest, which will not be registered pursuant to the Securities Act. Bank One and FDC will cause Alpha to agree not to distribute or resell all or any portion of the Membership Interest if such distribution or resale would constitute a violation of the Securities Act by either Alpha or the Alliance.

3.6. OTHER DELIVERIES. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Bank One and FDC shall cause their respective Affiliates to deliver to the other party such additional documents and instruments, including certified copies of corporate charters or comparable documents, by-laws, resolutions or other items, as either party may reasonably request.

3.7. CONSENTS TO ASSIGNMENT. Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any contract or agreement, or any claim or right or any benefit arising thereunder or resulting therefrom, if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach thereof or would in any way adversely affect the rights of the Alliance thereunder. If such consent is not obtained, or if an attempted assignment thereof would be ineffective or would affect the rights thereunder so that the Alliance would not receive all such rights, Bank One

and FDC will cause Alpha and the Alliance to cooperate, in all reasonable respects, to obtain such consent as soon as practicable and, until such consent is obtained, to provide to the Alliance the benefits under any of the foregoing to which such consent relates (with the Alliance responsible for all the liabilities and obligations thereunder). In particular, in the event that any such consent is not obtained prior to the Closing Date, then Bank One and FDC will cause Alpha and the Alliance to enter into such arrangements (including subleasing or subcontracting if permitted) to provide to all parties the economic and operational equivalent of obtaining such consents and assigning such contract or agreement, including the enforcement for the benefit of the Alliance of all claims or rights arising thereunder, and the performance by the Alliance of the obligations thereunder.

3.8. CLOSING COSTS; TRANSFER FEES. The cost of any surveys, title reports or title searches, and the recording or filing of all applicable conveyancing instruments incurred by reason of the transfer of Contributed Assets to the Alliance will be paid by Alpha upon the Closing.

ARTICLE IV

CONTRIBUTION OF ASSETS AND LIABILITIES OF ALPHA

4.1. CONTRIBUTION ASSETS. On the Closing Date and upon the terms and subject to the conditions of this Agreement including Section 3.7, FDC and Bank One shall cause Alpha, and each surviving Subsidiary under Section 2.2, to (and on or prior to the Closing Date FDC and Bank One shall cause Alpha, and each surviving Subsidiary under Section 2.2, on its own behalf, to agree in writing with the Alliance upon such terms and subject to such conditions, to) assign, transfer, convey and deliver unto the Alliance, on a going concern basis, all of the business and operations of Alpha, and each such Subsidiary, and all of the assets and properties of Alpha, and each such Subsidiary, of every kind and description, wherever located, real, personal and mixed, tangible and intangible (other than Excluded Assets) as the same shall exist on the Closing Date (the "Contributed Assets"), including, without limitation, all right, title and interest of Alpha, and each such Subsidiary, under, to and in:

(a) cash and cash equivalents;

(b) assets reflected on the balance sheet of Alpha, and each such Subsidiary, as of December 31, 1998, except for those assets disposed of subsequent to such date;

(c) Personal Property;

(d) Accounts Receivable and Inventory;

(e) any Owned Real Property;

(f) Leased Real Property and leasehold improvements;

(g) Capital Stock of Subsidiaries of Alpha, if mutually agreed by Bank One and FDC;

(h) any Investments;

(i) Contracts including without limitation Merchant Agreements;

(j) goodwill together with all customer lists, processes, manuals, know how and other proprietary information;

(k) owned Intellectual Property and Software, and the contracts, licenses, sublicenses, assignments, indemnities and other agreements with third parties related thereto;

(l) licensed Intellectual Property and Software, and the contracts, licenses, sublicenses, assignments, indemnities and other agreements with third parties related thereto;

(m) telephone, telex, telephone facsimile numbers and other directory listings, web sites and Internet domain names;

(n) any rights, claims or causes of action against third Persons;

(o) any Governmental Permits;

(p) Insurance Policies;

(q) books, files, reports, records, correspondence, documents and other material including, without limitation, supplier lists and customer files, payroll and personnel records and financial, sales and purchasing records; and

(r) all other assets owned by Alpha on the Closing Date except for the Excluded Assets.

4.2. EXCLUDED ASSETS. Notwithstanding the provisions of Section 4.1, the Contributed Assets shall not include the capital stock of FUFSI or the capital stock of Message Media (herein referred to as the "Excluded Assets").

4.3. ASSUMED LIABILITIES. On the Closing Date and upon the terms and subject to the conditions of this Agreement, FDC and Bank One shall cause the Alliance to (and on or prior to the Closing Date FDC and Bank One shall cause Alpha, and each surviving Subsidiary under Section 2.2, on its own behalf, to enter into an agreement with the Alliance causing the Alliance, upon such terms and subject to such conditions, to)

assume and be obligated to pay, perform and otherwise discharge all liabilities and obligations of Alpha, and each such Subsidiary, direct or indirect, known or unknown, absolute or contingent (other than the Excluded Liabilities) (the "Assumed Liabilities"), including, without limitation:

(a) accounts payable and other accrued liabilities and obligations that are reflected on the balance sheet of Alpha, and each such Subsidiary, as of December 31, 1998 and similar liabilities and obligations incurred subsequent to such date;

(b) all liabilities in respect of any pending or threatened action, suit, or proceeding against Alpha or any such Subsidiary;

(c) Chargebacks and credit losses;

(d) liabilities in respect of Taxes;

(e) contingent liabilities; and

(f) liabilities and obligations under the Contracts.

4.4. EXCLUDED LIABILITIES. Notwithstanding the provisions of Section 4.3, the Alliance shall not assume or be obligated to pay, perform or otherwise discharge liabilities or obligations of Alpha or any such Subsidiary in respect of the Excluded Assets (all such liabilities and obligations not being assumed by the Alliance being herein referred to as the "Excluded Liabilities").

ARTICLE V

CONDITIONS TO CLOSING

The obligations of the parties hereto to consummate the transactions contemplated by this Agreement to occur at the Closing shall be subject to the satisfaction, or waiver by the appropriate party or parties, on or prior to the Closing Date of the following conditions precedent (except that the obligation of any party shall not be subject to such party's own performance or compliance):

5.1. ILLEGALITY, ETC. No change shall have occurred as of the Closing Date in applicable Requirements of Laws that in the reasonable opinion of any party would make it illegal for it to participate in any of the transactions contemplated to occur at the Closing.

5.2. LITIGATION. No action, proceeding or investigation shall have been instituted, nor shall action before any court or Governmental Body be threatened, which in the opinion of counsel for FDC or Bank One is not frivolous, nor shall any order, judgment or decree have been issued or proposed to be issued by any court or Governmental Body, at the time of the Closing Date to modify, set aside, invalidate, restrain, enjoin or prevent

the consummation of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement or the transactions contemplated herein or therein.

5.3. CONSENTS AND APPROVALS. (a) All actions, approvals, consents, waivers, exemptions, variances, franchises, orders, permits, authorizations, rights and licenses (other than any thereof that are routine in nature and that cannot be obtained, or that are not normally applied for, prior to the time they are required and that FDC or Bank One, as the case may be, does not have any reason to believe any difficulty will be encountered in obtaining) required to be taken, given or obtained, as the case may be, by or from any Governmental Body, that are necessary in connection with the consummation of the transactions contemplated by this Agreement, the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement shall have been duly taken, given or obtained, as the case may be, and shall be in full force and effect on the Closing Date.

(b) Notwithstanding the foregoing, the waiting period under the HSR Act, if applicable, shall have expired or been terminated.

5.4. MERGER. The Merger shall have been consummated.

5.5. OTHER AGREEMENTS. The following agreements shall have been duly authorized, executed and delivered by the respective party or parties thereto, or shall have been received by a party hereto, shall each be satisfactory in form and substance to each such party and shall be in full force and effect, and executed counterparts shall have been delivered to each such party and its respective counsel:

(a) this Agreement;

(b) the Operating Agreement;

(c) the Revised Processing Agreement;

(d) the Revenue Sharing Agreement; and

(e) a guaranty of Bank One, N.A., Columbus, Ohio and a guaranty of FDC in form and substance mutually agreeable to Bank One and FDC, it being understood that such guaranties will cover only the obligations of the members under the Operating Agreement and that the enforcement of such guaranties shall not require as a pre-condition obtaining a judgment against the primary obligor.

5.6. DIVESTITURE OF UNRELATED ASSETS. The transactions contemplated by Section 2.1 hereof shall have occurred.

5.7 RESOLUTIONS, CERTIFICATES, ETC. Each party hereto shall have received, in form and substance reasonably satisfactory to it,

(a) a copy of resolutions of the Board of Directors of each party (other than FDC and Bank One) to any of the agreements referred to in Section 5.5, certified as of the Closing Date by the Secretary or an Assistant Secretary thereof, duly authorizing the execution, delivery and performance by such party, respectively, of each such agreement to which it is a party, together with an incumbency certificate as to the person or persons authorized to execute and deliver such documents on its behalf; and

(b) such other documents and evidence with respect to FDC or Bank One and each other party to any of the agreements referred to in Section 5.5 as FDC or Bank One or their respective counsel may reasonably request in order to consummate the transactions contemplated hereby, the taking of all corporate proceedings in connection therewith and compliance with the conditions herein.

5.8. OPINIONS OF COUNSEL. The following opinions of legal counsel, dated the Closing Date, shall have been delivered:

(a) Opinion of Counsel for FDC. Opinion from Michael T. Whealy, general counsel of FDC, addressed to Bank One in form and substance reasonably satisfactory to Bank One.

(b) Opinion of Counsel for Bank One. Opinion from Sherman I. Goldberg, General Counsel for Bank One, addressed to FDC in form and substance reasonably satisfactory to FDC.

5.9. ACCOUNTING. (a) On or prior to the Closing Date, Bank One shall request a formal written opinion of Arthur Andersen LLP to the effect that the transactions contemplated by this Agreement, the Operating Agreement and the Merger Agreement (and identified in such opinion) will not adversely affect "pooling of interests" accounting treatment for any then publicly announced or completed transaction by Bank One or any Affiliate assuming any changes to the Operating Agreement that would be reasonably acceptable to Bank One. In the event that Arthur Andersen LLP will not issue the formal written opinion described in the preceding sentence, Bank One will request Arthur Andersen LLP provide to Bank One and FDC the basis for its inability to deliver such opinion, such basis to be given orally or in writing in reasonable detail. If Bank One fails to receive a written opinion as described in the first sentence of this Section 5.9(a), Bank One shall not be obligated to close the transaction contemplated by this Agreement, it being understood that the condition set forth in such first sentence shall be subsequently deemed satisfied if Bank One shall receive a subsequent formal written opinion of Arthur Andersen LLP in form and substance satisfactory to Bank One that the transactions contemplated by this Agreement, the Operating Agreement and the Merger Agreement will not adversely affect "pooling of interests" accounting treatment for any then publicly announced or completed transaction by Bank One or any Affiliate.

(b) On or prior to the Closing Date, FDC shall request a formal

written opinion of Ernst & Young LLP to the effect that the transactions contemplated by this Agreement, the Operating Agreement and the Merger Agreement (and identified in such opinion) will not adversely affect "pooling of interests" accounting treatment for any then publicly announced or completed transaction by FDC or any Affiliate assuming any changes to the Operating Agreement that would be reasonably acceptable to FDC. In the event that Ernst & Young LLP will not issue the formal written opinion described in the preceding sentence, FDC will request Ernst & Young LLP provide to Bank One and FDC the basis for its inability to deliver such opinion, such basis to be given orally or in writing in reasonable detail. If FDC fails to receive a written opinion as described in the first sentence of this Section 5.9(b), FDC shall not be obligated to close the transaction contemplated by this Agreement, it being understood that the condition set forth in such first sentence shall be subsequently deemed satisfied if FDC shall receive a subsequent formal written opinion of Ernst & Young LLP in form and substance satisfactory to FDC that the transactions contemplated by this Agreement, the Operating Agreement and the Merger Agreement will not adversely affect "pooling of interests" accounting treatment for any then publicly announced or completed transaction by FDC or any Affiliate.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

6.1. REPRESENTATIONS AND WARRANTIES OF BANK ONE AND BANK ONE AFFILIATES. As an inducement to FDC to enter into this Agreement, and to cause one of its Affiliates to enter into the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement, and to consummate the transactions contemplated hereby and thereby, Bank One represents and warrants to FDC and agrees as follows except as may be otherwise provided in the Confidential Disclosure letter of Bank One attached hereto:

(a) Organization, Corporate Power, Etc. Bank One is a bank holding company duly organized and validly existing as a corporation under the laws of the State of Delaware. Each Bank One Affiliate (other than Alpha and its Subsidiaries) that will be a party to any of the agreements contemplated by this Agreement is a corporation or other entity duly organized and validly existing under the laws of its respective jurisdiction of organization. Bank One is duly licensed or qualified to do business as a foreign corporation in all of the jurisdictions in which Bank One is required to be so licensed or qualified with respect to the Alliance, except where the failure to be so licensed or qualified would not have a material adverse effect on the operations or financial condition of the Alliance. Bank One and each of its Affiliates (other than Alpha and its Subsidiaries) that will be performing obligations under any other agreement contemplated by this Agreement, has all requisite corporate power and authority to own, operate and lease its assets and to carry on its business as it is now being conducted except where the failure to have such

power and authority would not have a material adverse effect on the operations or financial condition of Bank One or the applicable Affiliate, and Bank One and each such Affiliate has all requisite corporate power and authority to perform its respective obligations hereunder and thereunder.

(b) Authority of Bank One. Bank One and each of its applicable Affiliates (other than Alpha and its Subsidiaries) has full power and authority to execute, deliver and perform this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement and any other agreement contemplated hereby to which Bank One or such applicable Affiliate is a party. The execution, delivery and performance of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement and any other agreement contemplated hereby by Bank One or such Affiliate have been duly authorized and approved by Bank One or such Affiliate, as the case may be, and do not require any further authorization or consent of Bank One, any such Affiliate or their respective boards of directors or stockholders. This Agreement has been, and the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement will be, duly authorized, executed and delivered by Bank One or such Affiliate and are or will be upon execution, the legal, valid and binding obligations of Bank One or such Affiliate enforceable in accordance with its terms.

Neither the execution and delivery of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement or any other agreement contemplated hereby, or the consummation of any of the transactions contemplated hereby or thereby nor compliance with or fulfillment of the terms, conditions and provisions hereof or thereof will (i) conflict with, violate, result in a breach of, or constitute a default under the charter or By-laws of Bank One or any such Affiliate, (ii) conflict with (A) any Court Order to which Bank One or any such Affiliate is a party or by which Bank One or any such Affiliate is bound, or (B) any Requirements of Laws affecting Bank One or any such Affiliate, or (iii) conflict with or violate in any material manner or result in a material breach of, or constitute a material default under any material note, instrument, agreement, mortgage, lease, license, franchise, permit or other authorization, right, restriction or obligation to which Bank One or any such Affiliate is a party or by which Bank One or any such Affiliate is bound.

(c) Consents and Approvals. Except for such consents, approvals or authorizations to be applied for under the HSR Act or as may be required under licenses or other agreements relating to the Alliance, if any, no consent, approval or authorization of, or declaration, filing or registration with, or notice to, or order or action of, any court, administrative agency or other Governmental Body or any other Person (including, without limitation, any financial institution or Card Association) is required to be made or obtained by Bank One or any of its Affiliates (excluding Alpha and its Subsidiaries) in connection with the execution and delivery by Bank One or any such Affiliate of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised

Processing Agreement or any other agreement contemplated hereby, the consummation by Bank One of the transactions contemplated hereby or thereby and the performance by Bank One or any such Affiliate of its obligations contained herein or therein.

(d) Card Association Rules. To the best of Bank One's knowledge, Bank One or its applicable clearing affiliate is, and, since January 1, 1998 has been, in substantial compliance with all applicable Card Association rules, by-laws and regulations and has received no notice of any material violations thereof.

(e) Financial Statements of Alpha. Bank One has no knowledge that (i) the audited balance sheets of Alpha as of June 30, 1998 and 1997 and the related statements of income and cash flows for the years then ended, together with the appropriate notes to such financial statements, or (ii) the unaudited balance sheet of Alpha as of September 30, 1998 and 1997 and the related statements of income and cash flows for the three months then ended have not been prepared in conformity with generally accepted accounting principles consistently applied, or do not fairly present the financial position and results of operations of Alpha as of their respective dates and for the respective periods covered thereby, except as set forth therein or in the notes thereto.

(f) Changes Since September 30, 1998. Bank One has no knowledge that since September 30, 1998, (i) there has been any material adverse change in the Contributed Assets or the business or operations, liabilities, profits, prospects or condition (financial or otherwise) of Alpha or (ii) Alpha has not generally conducted its business in the ordinary course and in conformity with past practice.

(g) No Broker or Finder. No broker, finder or investment banker is entitled to any fee or commission from Bank One or any of its Affiliates in connection with the transactions contemplated by this Agreement, the Operating Agreement, the Revenue Sharing Agreement or the Revised Processing Agreement, but not including the transactions contemplated by the Merger Agreement.

(h) Knowledge of Bank One. As used in this Agreement, knowledge of Bank One when used in phrases such as "Bank One has no knowledge", "to the best of Bank One's knowledge" or similar phrases shall be limited to actual knowledge of the officers and employees of Bank One identified on Exhibit D hereto.

6.2. REPRESENTATIONS AND WARRANTIES OF FDC AND FDC AFFILIATES. As an inducement to Bank One to enter into this Agreement, and to cause one of its Affiliates to enter into the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement and to consummate the transactions contemplated hereby and thereby, FDC represents and warrants to Bank One and agrees as follows:

(a) Organization, Corporate Power, Etc. FDC and each of its

Affiliates that will be a party to any of the agreements contemplated hereby is a corporation duly organized, validly existing and in good standing under the laws of its respective jurisdiction of organization and is duly licensed or qualified to do business as a foreign corporation in all of the jurisdictions in which such entity is required to be so licensed or qualified, except where the failure to be so licensed or qualified would not have a material adverse effect on the operations or financial condition of the Alliance. FDC has all requisite corporate power and authority to own, operate and lease its assets and to carry on its business as it is now being conducted except where failure to have such power and authority would not have a material adverse effect on the operations or financial condition of FDC or the applicable Affiliate, and FDC and each of its Affiliates that will be performing obligations under this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement or any other agreement contemplated hereby has all requisite corporate power and authority to perform its obligations hereunder and thereunder.

(b) Authority of FDC. FDC and each of its applicable Affiliates has full power and authority to execute, deliver and perform this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement and any other agreement contemplated hereby to which FDC or such applicable Affiliate is a party. The execution, delivery and performance of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement and any other agreements contemplated hereby by FDC or such Affiliate have been duly authorized and approved by the Board of Directors of FDC or such Affiliate, as the case may be, and do not require any further authorization or consent of FDC, any of its Affiliates or their respective stockholders. This Agreement has been, and the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement will be, duly authorized, executed and delivered by FDC or such Affiliate and are or will be upon execution, the legal, valid and binding obligations of FDC or such Affiliate enforceable in accordance with its terms.

Neither the execution and delivery of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement or any other agreement contemplated hereby, or the consummation of any of the transactions contemplated hereby or thereby nor compliance with or fulfillment of the terms, conditions and provisions hereof or thereof will (i) conflict with, violate, result in a breach of, or constitute a default under (1) the charter or By-laws of FDC or any such Affiliate,(2) any Court Order to which FDC or any such Affiliate is a party or by which FDC or any such Affiliate is bound, or (3) any Requirements of Laws affecting FDC or any such Affiliate, or (ii) conflict with or violate in any material manner, or result in a material breach of, or constitute a material default under any material note, instrument, agreement, mortgage, lease, license, franchise, permit or other authorization, right, restriction or obligation to which FDC or any such Affiliate is a party or by which FDC or any such Affiliate is bound.

(c) Consents and Approvals. Except for such consents, approvals

or authorizations to be applied for under the HSR Act or as may be required under licenses or other agreements relating to the Alliances, if any, no consent, approval or authorization of, or declaration, filing or registration with, or notice to, or order or action of, any court, administrative agency or other Governmental Body or any other Person (including, without limitation, any financial institution or Card Association) is required to be made or obtained by FDC or any of its Affiliates in connection with the execution and delivery by FDC or any of its Affiliates of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, Revised Processing Agreement or any other agreement contemplated hereby, the consummation by FDC or any of its Affiliates of the transactions contemplated hereby or thereby and the performance by FDC or any of its Affiliates of its obligations contained herein or therein.

(d) Card Association Rules. To the best of FDC's knowledge, FDC or any of its applicable Affiliates is, and, since January 1, 1998 has been, in substantial compliance with all applicable Card Association rules, by-laws and regulations and has received no notice of any material violations thereof.

(e) Other Alliances. Attached hereto as Exhibit E is a brief description of the material terms and provisions of all existing restrictions binding on FDMS or any of its Affiliates that would prohibit, restrict or limit the right of FDMS or any such Affiliate to transfer Merchant Agreements to the UMS portfolio as contemplated by Section 4.8 of the Operating Agreement.

(f) No Broker or Finder. No broker, finder or investment banker is entitled to any fee or commission from FDC or any of its Affiliates in connection with the transactions contemplated by this Agreement, the Operating Agreement, the Revenue Sharing Agreement or the Revised Processing Agreement, but not including the transactions contemplated by the Merger Agreement.

ARTICLE VII

SCHEDULES OF ALPHA ASSETS AND LIABILITIES

Prior to the Closing Date, FDC and Bank One shall cooperate in the preparation of Schedules referred to in Exhibit C, which Schedules are intended to be complete lists of the assets, properties, contracts and other data of Alpha and its Subsidiaries to the best knowledge of FDC and Bank One, respectively, identified in such Schedules.

ARTICLE VIII

ADDITIONAL AGREEMENTS

8.1. REASONABLE ACCESS. Between the date hereof and the Closing

Date, Bank One shall use reasonable efforts to cause Alpha and its Subsidiaries to make available to the employees, agents and representatives of FDC or its Affiliates, at reasonably acceptable times and at locations reasonably acceptable and accessible, the books and records of Alpha and its Subsidiaries and allow employees, agents and representatives of FDC to discuss the business of Alpha with certain key employees of Alpha and its Subsidiaries to facilitate the Merger and transfer of the Contributed Assets and to determine whether the conditions set forth in Article V or in the Merger Agreement have been satisfied.

8.2. ACCURACY OF REPRESENTATIONS AND WARRANTIES. Between the date hereof and the Closing Date, each of FDC and Bank One will use reasonable efforts not to take any action or omit to take any action, and to cause its Affiliates (excluding Alpha and its Subsidiaries) not to take any action or omit to take any action, that would result in its respective representations or warranties contained in Article VI of this Agreement, the Operating Agreement, the Revenue Sharing Agreement or the Revised Processing Agreement not being true and correct as of the Closing Date. Each party shall promptly notify the other of the receipt of any written notice regarding any action, suit or proceeding that shall be instituted or threatened against such party to restrain, prohibit or otherwise challenge the legality of any transactions contemplated by this Agreement.

8.3. EFFORTS TO CONSUMMATE. Subject to the terms and conditions herein provided, each of the parties hereto agrees to negotiate in good faith with respect to the terms of the Merger Agreement and the Stockholder Agreement, and upon the execution of the Merger Agreement and the Stockholder Agreement agrees to use reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable to consummate, as promptly as practicable, the transactions contemplated hereby, in the Operating Agreement, in the Revenue Sharing Agreement and in the Revised Processing Agreement including, but not limited to, the obtaining of all necessary consents, waivers, authorizations, orders and approvals of third parties, whether private or governmental, required of it by this Agreement, the Operating Agreement, the Revenue Sharing Agreement or the Revised Processing Agreement; provided, however, that Bank One and FDC shall each have complete discretion with respect to determining the amount and type of consideration to be offered for the outstanding Common Stock of Alpha in the Merger not owned by FDC or an Affiliate of Bank One; provided, further, that neither FDC nor Bank One shall be required to make any payments (other than customary administrative and processing fees and reasonable legal expenses), commence litigation or agree to any material modifications to the terms of any Contracts, Real Property Leases or Permits in connection with the foregoing. Each of FDC and Bank One agrees to cooperate fully with the other in assisting it to comply with the provisions of this Section 8.3.

8.4. NO PUBLIC ANNOUNCEMENT. Neither FDC nor Bank One shall, without the approval of the other, make any press release or other public announcement concerning the transactions contemplated by this Agreement,

the Operating Agreement, the Revenue Sharing Agreement or the Revised Processing Agreement, except as and to the extent that any such party shall be so obligated by law or the rules of any stock exchange, in which case the other party shall be advised and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued; provided that the foregoing shall not preclude communications or disclosures necessary to implement the provisions of this Agreement, the Operating Agreement, the Revenue Sharing Agreement or the Revised Processing Agreement or to comply with the accounting and Securities and Exchange Commission disclosure obligations.

8.5. NOTICES. All notices or other communications required or permitted hereunder shall be in writing and shall be deemed given or delivered when delivered personally, by courier or facsimile transmission or mailed (first class postage prepaid) to the parties at the addresses or facsimile numbers set forth below:

If to Bank One, to:

BANK ONE CORPORATION
Law Department
Mail Suite 0287
Chicago, Illinois 60670
Attention: Daniel P. Cooney
Telecopy Number: 312-732-3596 or
312-732-9753

If to FDC, to:

First Data Corporation
5660 New Northside Dr.
Suite 1400
Atlanta, GA 30328
Attention: General Counsel
Telecopy Number: 770-857-0414

with a copy to:

Sidley & Austin
One First National Plaza
Chicago, Illinois 60603
Attention: John M. O'Hare
Telecopy Number: 312-853-7036

The parties hereto agree that delivery of any copy shall not, by itself, be considered notice pursuant to this Section 8.5.

All such notices and other communications will (x) if delivered personally or by courier to the address provided in this Section 8.5, be deemed given upon delivery, (y) if delivered by facsimile transmission to the facsimile number provided in this Section 8.5, be deemed given when receipt of transmission has been electronically confirmed by the sending

party, and (z) if delivered by first class or registered mail in the manner described above to the address as provided in this Section 8.5, be deemed given three (3) Banking Days after deposit in the United States mail (in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice is to be delivered pursuant to this Section 8.5). Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other party.

8.6 NOTIFICATION OF CERTAIN MATTERS. From the date hereof through the Closing Date, Bank One and FDC shall give prompt notice to the other of (a) the occurrence, or failure to occur, of any event which occurrence or failure would be likely to cause any of such party's representations or warranties contained in this Agreement, the Operating Agreement, the Revenue Sharing Agreement, or the Revised Processing Agreement to be untrue or inaccurate in any material respect, and (b) any failure of such party to comply with or satisfy in any material respect any of its respective covenants, conditions or agreements to be complied with or satisfied by it under this Agreement, the Operating Agreement, the Revenue Sharing Agreement, or the Revised Processing Agreement; provided, however, that such disclosure shall not be deemed to cure any breach of a representation, warranty, covenant or agreement, or to satisfy any condition.

8.7. CARD ASSOCIATION APPROVALS. Bank One and FDC shall give or cause to be given to each applicable Card Association all notices required in connection with the transaction contemplated hereby.

8.8. RELATED PARTY TRANSACTIONS. Prior to the Closing Date, Bank One shall and shall cause Alpha to prepare the information required by Exhibit B.

8.9. OPERATIONS PRIOR TO CLOSING DATE. Except as set forth on Schedule 8.9 and subject to the matters contemplated by this Agreement, the Merger Agreement, the Revised Processing Agreement and the Stockholders Agreement, between the date hereof and the Closing Date, Bank One and FDC shall use reasonable efforts to cause Alpha to conduct its business only in the ordinary course and in conformity with past practice.

8.10. INTERCOMPANY AGREEMENTS. Bank One agrees to, or to cause its appropriate Affiliates to, (i) terminate the tax sharing agreement between FUSA and Alpha to the extent the parties reasonably agree portions thereof should be terminated, (ii) terminate the registration rights agreement between Bank One and Alpha, (iii) enter into agreements with respect to the provision to Alpha of office space in Dallas, Texas, certain insurance coverage and a license to use the name "First USA" and certain other trademarks and such other services as Bank One or one of its Affiliates are providing to Alpha or its Affiliates on economic terms consistent with arrangements in effect prior to the Closing (said economic terms to be in effect for 12 months from and after the Closing Date and

thereafter to be subject to good faith negotiation among the parties), and (iv) perform the unwritten agreements between Alpha and First USA Bank described in Section 4.23 of the Company Letter referred to in the Merger Agreement, in each case on or before the Closing to the extent practicable.

8.11. COOPERATION ON DEBT. If, upon the transfer of the Contributed Assets by Alpha to the Alliance, or the assumption by Alpha of the Assumed Liabilities, as contemplated by this Agreement, Alpha would recognize income or gain for federal income tax purposes as a result of the amount or nature of its indebtedness (including, without limitation, by reason of all or a portion of its indebtedness being treated as Member Nonrecourse Debt), then prior to such contribution and assumption, the parties hereby agree to (and to cause their respective Affiliates to) take reasonable steps to avoid such income or gain.

8.12. CERTAIN FEES. Bank One shall cause the Alliance to pay to FDMS, in lieu of the amounts that would otherwise have been payable to FDMS under Section 8.24 of the Alliance Agreement, (i) $666,667 on the last day of each month or portion thereof remaining in calendar year 1999 after the Closing Date, (ii) $666,667 on the last day of each month in calendar year 2000, and (iii) $750,000 on the last day of each month in calendar year 2001.

ARTICLE IX

EMPLOYEE MATTERS

9.1. EMPLOYMENT OF ALPHA EMPLOYEES. The employment of each employee of Alpha who is actively employed (including such employees who are on vacation) as of the Closing shall be transferred to the Alliance effective as of the Closing at the same base compensation and wage levels as in effect immediately preceding the Closing. Notwithstanding anything herein to the contrary, nothing in this Agreement shall create any obligation on the part of the Alliance or any of its Affiliates to continue the employment of any employee for any definite period following the Closing. The Alliance shall offer employment (or severance benefits if such individual's position is no longer available as allowed by applicable law) to any individual who was an employee of Alpha who is on sick or disability leave or who is on an approved leave of absence as of the Closing as of the date such individual returns to work. The persons who become employed by the Alliance pursuant to this paragraph shall be referred to herein as "Transferred Employees."

9.2. MAINTENANCE OF EMPLOYEE BENEFITS PLANS. Effective as of the Closing Date and until such time as the Alliance implements its own benefit plans,, FDC, Bank One and the Alliance shall take any reasonable actions necessary (including but not limited to plan amendment, governmental notices, etc.) to maintain the participation of the Transferred Employees in the plans, programs, agreements or arrangements which covered the Transferred Employees as of the Closing Date.

9.3. BONUSES. The Alliance shall assume all obligations and liabilities for bonuses and incentive payments in connection with the relevant bonus programs of Alpha in effect immediately prior to the Closing Date and shall cause the payment of such bonuses or incentive payments, if any, to be made in accordance with the terms of such plans consistent with past practice.

9.4. VACATION AND SICK LEAVE. The Alliance shall credit each Transferred Employee with the number of unused vacation days and sick leave credited to such individual through the Closing Date under the applicable vacation and sick leave policies of Alpha and shall permit or cause Transferred Employees to be permitted to use such vacation days and sick leave.

9.5. WORKERS' COMPENSATION. The Alliance shall assume the obligation and liability for any workers' compensation or similar workers' protection claims with respect to any person who was an Alpha employee.

9.6. EMPLOYEES OF ALLIANCE MEMBERS. At the present time both Bank One, POS and FDMS have employees that provide services in connection with the Alliance business, although none of such employees are employees of the Alliance. Bank One and FDC acknowledge that subsequent to the Closing, the Alliance management will decide whether or not they wish to offer employment to any of these employees of Bank One, POS or FDMS. In the event that such a decision to offer employment is made, the Alliance shall be under no restrictions regarding offering employment to individuals who are dedicated full-time to the Alliance, and Bank One and FDC shall cooperate, and shall cause their respective Affiliates, to cooperate, in facilitating the transfer of such employees to the Alliance.

ARTICLE X

INDEMNIFICATION; PAYMENT OF CERTAIN COSTS

10.1. INDEMNIFICATION BY FDC. FDC shall indemnify and hold harmless Bank One and any of its Affiliates from and against any and all Losses and Expenses, whether or not litigation is commenced, imposed upon, incurred by or asserted against Bank One or any of its Affiliates in connection with or arising from the breach by FDC of any representation, warranty, covenant or agreement of FDC in this Agreement, provided, however, that FDC shall not be required to indemnify or hold Bank One or any of its Affiliates harmless from or against any such Losses or Expenses to the extent that such Losses or Expenses arise as a result of Bank One's or any of its Affiliates' own negligence, willful misconduct or breach of any of its representations, warranties or obligations pursuant to this Agreement.

10.2. INDEMNIFICATION BY BANK ONE. Bank One shall indemnify and hold harmless FDC and its Affiliates from and against any and all Losses

and Expenses, whether or not litigation is commenced, imposed upon, incurred by or asserted against FDC or its Affiliates in connection with or arising from the breach by Bank One of any representation, warranty, covenant or agreement of Bank One in this Agreement, provided, however, that Bank One shall not be required to indemnify or hold FDC or any of its Affiliates harmless from or against any such Losses or Expenses to the extent that such Losses or Expenses arise as a result of FDC's or one of its Affiliates' own negligence, willful misconduct or breach of any of its representations, warranties or obligations pursuant to this Agreement.

10.3. NOTICE OF CLAIMS. (a) If either Bank One, FDC or an Affiliate of either party (each an "Indemnified Party")shall seek indemnification hereunder, such Indemnified Party shall give promptly to the party obligated to provide indemnification to such Indemnified Party (the "Indemnitor") a notice (a "Claim Notice") describing in reasonable detail the facts giving rise to any claim for indemnification hereunder and shall include in such Claim Notice (if then known) the amount or the method of computation of the amount of such claim, and a reference to the provision of this Agreement or any other agreement, document or instrument executed hereunder or in connection herewith upon which such claim is based; provided, however, that a Claim Notice in respect of any action at law or suit in equity by or against a third Person as to which indemnification will be sought shall be given promptly after the action or suit is commenced.

(b) In calculating any Loss or Expense there shall be deducted (i) any insurance recovery in respect thereof (and no right of subrogation shall accrue hereunder to any insurer) and (ii) the amount of any tax benefit to the Indemnified Party (or any of its Affiliates) with respect to such Loss or Expense (after giving effect to the tax effect of receipt of the indemnification payments).

(c) After the giving of any Claim Notice pursuant hereto, the amount of indemnification to which an Indemnified Party shall be entitled under this Article X shall be determined: (i) by the written agreement between the Indemnified Party and the Indemnitor; (ii) by a final judgment or decree of any court of competent jurisdiction; or (iii) by any other means to which the Indemnified Party and the Indemnitor shall agree. The judgment or decree of a court shall be deemed final when the time for appeal, if any, shall have expired and no appeal shall have been taken or when all appeals taken shall have been finally determined. The Indemnified Party shall have the burden of proof in establishing the amount of Loss and Expense suffered by it.

10.4. THIRD PERSON CLAIMS. (a) In order for an Indemnified Party to be entitled to any indemnification provided for under this Agreement in respect of, arising out of or involving a claim or demand made by any third Person against an Indemnified Party, such Indemnified Party must notify the Indemnitor in writing, and in reasonable detail, of the third Person claim within 10 Banking Days after receipt by such Indemnified Party of written notice of the third Person claim. Thereafter, the

Indemnified Party shall deliver to the Indemnitor, within 10 Banking Days after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to the third Person claim. Notwithstanding the foregoing, should an Indemnified Party be physically served with a complaint with regard to a third Person claim, the Indemnified Party must notify the Indemnitor and deliver a copy of the complaint within 10 Banking Days after receipt thereof and shall deliver to the Indemnitor within 10 Banking Days after the receipt of such complaint copies of notices and documents (including court papers) received by the Indemnified Party relating to the third Person claim.

(b) In the event of the initiation of any legal proceeding, claim or demand against the Indemnified Party by a third Person, the Indemnitor shall have the sole and absolute right after the receipt of notice, at its option and at its own expense, to be represented by counsel reasonably acceptable to the Indemnified Party and to control, defend against, negotiate, settle or otherwise deal with any proceeding, claim, or demand which relates to any Loss or Expense indemnified against hereunder; provided, however, that the Indemnified Party may participate in any such proceeding with counsel of its choice and at its expense. The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any such legal proceeding, claim or demand. To the extent the Indemnitor elects not to defend such proceeding, claim or demand, and the Indemnified Party defends against or otherwise deals with any such proceeding, claim or demand, the Indemnified Party may retain counsel, at the expense of the Indemnitor, and control the defense of such proceeding. Neither the Indemnitor nor the Indemnified Party may settle any such proceeding which settlement obligates the other party to pay money, to perform obligations or to admit liability without the consent of the other party, such consent not to be unreasonably withheld. After any final judgment or award shall have been rendered by a court, arbitration board or administrative agency of competent jurisdiction and the time in which to appeal therefrom has expired, or a settlement shall have been consummated, or the Indemnified Party and the Indemnitor shall arrive at a mutually binding agreement with respect to each separate matter alleged to be indemnified by the Indemnitor hereunder, the Indemnified Party shall forward to the Indemnitor notice of any sums due and owing by it with respect to such matter and the Indemnitor shall pay all of the sums so owning to the Indemnified Party by wire transfer, certified or bank cashier's check within 30 days after the date of such notice.

10.5. LIMITATION. No failure of the Indemnified Party to give the Indemnitor timely notice as required by Section 10.3 or 10.4 above shall affect such Indemnified Party's right to indemnification hereunder unless, and then only to the extent that the rights of the Indemnitor to defend against such claim have been prejudiced thereby.

ARTICLE XI

11.1. TERMINATION. Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated at any time prior to the Closing Date:

(a) by the mutual written consent of Bank One and FDC;

(b) by Bank One or FDC if the Merger Agreement shall be terminated pursuant to its terms;

(c) by Bank One or FDC if the transactions contemplated by the Merger Agreement shall not have been consummated on or before October 1, 1999; and

(d) by Bank One or FDC if the Closing shall not have occurred on or before October 1, 1999.

11.2. NOTICE OF TERMINATION. Any party desiring to terminate this Agreement pursuant to Section 11.1 shall give written notice of such termination to the other party to this Agreement.

11.3. EFFECT OF TERMINATION. In the event that this Agreement shall be terminated pursuant to this Article XI, all further obligations of the parties under this Agreement (other than Sections 12.8 and 12.11) shall be terminated without further liability of any party to the other, provided that nothing herein shall relieve any party from liability for its willful breach of this Agreement.

ARTICLE XII

MISCELLANEOUS PROVISIONS

12.1. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

12.2. ENTIRE AGREEMENT. This Agreement, the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement and the Exhibits, Annexes and Schedules hereto and thereto constitute the entire agreement among the parties hereto and contain all of the agreements among such parties with respect to the subject matter hereof and thereof. This Agreement, the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement and the Exhibits, Annexes and Schedules hereto and thereto supersede any and all other agreements, either oral or written, between such parties with respect to the subject matter hereof and thereof.

12.3. PARTIAL INVALIDITY. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid

under applicable law, but in case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such provision shall be ineffective to the extent, but only to the extent, of such invalidity, illegality or unenforceability without invalidating the remainder of such invalid, illegal or unenforceable provision or provisions or any other provisions hereof, unless such a construction would be unreasonable.

12.4. AMENDMENT. Except as expressly provided herein, this Agreement may be amended only by a written agreement executed by each of FDC and Bank One.

12.5. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ITS CONFLICTS OF LAW DOCTRINE, EXCEPT TO THE EXTENT THE DELAWARE LIMITED LIABILITY COMPANY ACT IS CONTROLLING.

12.6. WAIVER. Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof. Any such waiver shall be validly and sufficiently authorized for the purposes of this Agreement if, as to any party, it is authorized in writing by an authorized representative of such party. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

12.7. FURTHER ASSURANCES. In connection with this Agreement, the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement and the transactions contemplated hereby and thereby, after the Closing each of FDC and Bank One shall execute and deliver, or use reasonable best efforts to cause to be executed and delivered (whether by Alpha or by any of its other Affiliates), any additional documents and instruments, and each will perform, or use reasonable best efforts to cause to be performed (whether by Alpha or by any of its other Affiliates), any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement, the Operating Agreement, the Revenue Sharing Agreement, the Revised Processing Agreement and any other agreement contemplated hereby to which it or any of its Affiliates is a party and the transactions contemplated hereby and thereby.

12.8. EXPENSES. Each of FDC and Bank One shall pay its own legal, accounting and other expenses incident to its negotiation and preparation of this Agreement, the Operating Agreement, the Revenue Sharing Agreement and the Revised Processing Agreement and (except as expressly set forth herein or therein) the consummation of the transactions contemplated hereby and thereby.

12.9. SURVIVAL OF OBLIGATIONS. All representations, warranties,

covenants and obligations contained in this Agreement shall survive the consummation of the transactions contemplated by this Agreement; provided, however, that the representations and warranties contained in Section 6.1(e), (f) and (g) shall terminate on the Closing Date and the other representations and warranties contained in Section 6.1 and Section 6.2 shall terminate on the third anniversary of the Closing Date.

12.10. SUCCESSORS AND ASSIGNS. (a) The rights of either party under this Agreement shall not be assignable by such party hereto without the written consent of the other.

(b) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and permitted assigns. The successors and permitted assigns hereunder shall include without limitation, any permitted assignee as well as the successors in interest to such permitted assignee (whether by merger, liquidation (including successive mergers or liquidations) or otherwise). Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any Person other than the parties and successors and assigns permitted by this Section 12.10 any right, remedy or claim under or by reason of this Agreement.

12.11. CONFIDENTIAL NATURE OF INFORMATION. Each party agrees that it will treat in confidence during the period prior to the Closing Date all documents, materials and other information which it shall have obtained regarding the other party and its Affiliates during the course of the negotiations leading to the consummation of the transactions contemplated hereby (whether obtained before or after the date of this Agreement), the investigation provided for herein and the preparation of this Agreement and other related documents, and, in the event the transactions contemplated hereby shall not be consummated, each party will return to the other party all copies of nonpublic documents and materials which have been furnished in connection therewith. Such documents, materials and information shall not be communicated to any third Person (other than counsel, accountants or financial advisors of FDC and Bank One). No other party shall use any confidential information in any manner whatsoever except solely for the purpose of evaluating the transactions. The obligation of each party to treat such documents, materials and other information in confidence shall not apply to any information which (i) is or becomes available to such party from a source other than such party provided such source is not known by the recipient to be subject to an obligation of confidentiality with respect to such information, (ii) is or becomes available to the public other than as a result of disclosure by such party or its agents, (iii) is required to be disclosed under applicable law or judicial process, but only to the extent it must be disclosed, or (iv) following prior written notice to the other party disclosing the nature of the proposed disclosure and the reasons such disclosure is required, such party reasonably deems necessary to disclose to obtain any of the consents or approvals contemplated hereby.

12.12. INFORMAL DISPUTE RESOLUTION. Any dispute, controversy or

claim between FDC and Bank One, including any dispute, controversy or claim involving their respective Affiliates, arising from or in connection with this Agreement or the relationship of the parties under this Agreement, whether based on contract, tort, common law, equity, statute, regulation, order or otherwise ("Dispute") shall be resolved as follows:

(a) Upon written request of either party, each party will appoint a designated representative whose task it will be to meet for the purpose of endeavoring to resolve such Dispute.

(b) The designated representatives shall meet as often as the parties reasonably deem necessary to discuss the problem in an effort to resolve the Dispute without the necessity of any formal proceeding. During the discussions, all reasonable requests by a party to another party for non-privileged information reasonably related to the Dispute shall be honored in order that each party may be fully advised of the other party's position.

(c) Formal proceedings for the resolution of a Dispute may not be commenced until the earlier of:

(i) the designated representatives concluding in good faith that amicable resolution through continued negotiation of the matter does not appear likely; or

(ii) the expiration of the fifteen (15) day period immediately following the initial request to negotiate the Dispute;

provided, however, that this Section 12.12 will not be construed to prevent a party from instituting formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or to seek temporary or preliminary injunctive relief pursuant to Section 12.14.

12.13. ARBITRATION.

(a) If the parties are unable to resolve any Dispute as contemplated by Section 12.12, such Dispute shall be submitted to mandatory and binding arbitration at the election of any disputing party (the "Disputing Party"). It is the intent of the parties that the arbitration be structured in such a way as to minimize costs. Except as otherwise provided in this Section 12.13, the arbitration shall be pursuant to the Commercial Arbitration Rules of the American Arbitration Association (the "AAA").

(b) To initiate the arbitration, the Disputing Party shall notify the other party in writing (the "Arbitration Demand"), which shall (i) describe in reasonable detail the nature of the Dispute, (ii) state the amount of the claim, (iii) specify the requested relief and (iv) name an arbitrator who (A) has been licensed to practice law

in the U.S. for at least ten years, (B) is not then an employee of Bank One or FDC or an employee of an Affiliate of Bank One or FDC, and (C) is experienced in representing clients in connection with mergers and acquisitions and the subject matter of the Dispute (the "Basic Qualifications"). Within fifteen (15) days after the other party's receipt of the Arbitration Demand, such other party shall file and serve on the Disputing Party, a written statement (i) answering the claims set forth in the Arbitration Demand, including any affirmative defenses of such party; (ii) asserting any counterclaim, which shall (A) describe in reasonable detail the nature of the Dispute relating to the counterclaim, (B) state the amount of the counterclaim, and (C) specify the requested relief; and (iii) either accepting the arbitrator proposed by the Disputing Party as the sole arbitrator for the proceedings or naming a second arbitrator satisfying the Basic Qualifications. The Disputing Party shall notify the other party within two (2) days whether the Disputing Party accepts the arbitrator proposed by the other party as the sole arbitrator for the proceedings or rejects such arbitrator and proposes an alternate arbitrator, in which event within fifteen (15) days thereafter, the two arbitrators so named by each party will select a third neutral arbitrator from a list provided by the AAA of potential arbitrators who satisfy the Basic Qualifications and who have no past or present relationships with the parties or their counsel, except as otherwise disclosed in writing to and approved by the parties. The arbitration will be heard by a panel consisting of either one arbitrator or three arbitrators, as determined in accordance with this paragraph (b) (the "Arbitration Panel") with, in the case of three arbitrators, the third arbitrator so chosen serving as the chairperson of the Arbitration Panel. Decisions of a majority of the members of the Arbitration Panel shall be determinative.

(c) The arbitration hearing shall be held in Chicago, Illinois. The Arbitration Panel is specifically authorized to render partial or full summary judgment as provided for in the Federal Rules of Civil Procedure. In the event summary judgment or partial summary judgment is granted, the non-prevailing party may not raise as a basis for a motion to vacate an award that the Arbitration Panel failed or refused to consider evidence bearing on the dismissed claim(s) or issue(s). The Federal Rules of Evidence shall apply to the arbitration hearing. The party bringing a particular claim or asserting an affirmative defense will have the burden of proof with respect thereto. The arbitration proceedings and all testimony, filings, documents and information relating to or presented during the arbitration proceedings shall be deemed to be information subject to the confidentiality provisions of this Agreement. The Arbitration Panel will have no power or authority, under the Commercial Arbitration Rules of the AAA or otherwise, to relieve the parties from their agreement hereunder to arbitrate or otherwise to amend or disregard any provision of this Agreement, including the provisions of this Section 12.13.

(d) Should an arbitrator refuse or be unable to proceed with arbitration proceedings as called for by this Section 12.13, the arbitrator shall be replaced by the party who selected such arbitrator (and approved by the other party if in a sole arbitrator proceeding), or if such arbitrator was selected by the two party-appointed arbitrators, by such two party-appointed arbitrators selecting a new third arbitrator in accordance with Section 12.13(b). Each such replacement arbitrator shall satisfy the Basic Qualifications. If an arbitrator is replaced pursuant to this Section 12.13(d) after the arbitration hearing has commenced, then a rehearing shall take place in accordance with the provisions of this Section 12.13 and the Commercial Arbitration Rules of the AAA.

(e) At the time of granting or denying a motion for summary judgment as provided for in paragraph (c) of this Section 12.13 and within fifteen (15) days after the closing of the arbitration hearing, the Arbitration Panel shall prepare and distribute to the parties a writing setting forth the Arbitration Panel's finding of facts and conclusions of law relating to the Dispute, including the reasons for the giving or denial of any award. The findings and conclusions and the award, if any, shall be deemed to be information subject to the confidentiality provisions of this Agreement.

(f) The Arbitration Panel is instructed to schedule promptly all discovery and other procedural steps and otherwise to assume case management initiative and control to effect an efficient and expeditious resolution of the Dispute. Each party's presentation at the arbitration hearing shall be limited to fourteen (14) hours, and the hearing shall be completed within ten (10) Banking Days. Summaries of any expert testimony, along with copies of all documents to be submitted as Exhibits shall be exchanged as soon as possible and in all events at least ten (10) Banking Days before the arbitration hearing under procedures set up by the Arbitration Panel. Except as otherwise specified herein, there shall be no discovery or dispositive motion practice except as may be permitted by the Arbitration Panel, who may authorize only such discovery as is shown to be necessary to insure a fair hearing. No discovery or motions permitted by the Arbitration Panel shall in any way alter the time limits specified herein. Both parties shall continue to perform their respective obligations in accordance with the terms of this Agreement and any agreements contemplated hereby during any arbitration proceeding. The fact that arbitration has commenced shall not impair the exercise of any termination rights set forth in this Agreement. The Arbitration Panel is authorized to issue monetary sanctions against either party if, upon a showing of good cause, such party is unreasonably delaying the proceeding.

(g) Any award rendered by the Arbitration Panel will be final, conclusive and binding upon the parties and any judgment thereon may be entered and enforced in any court of competent jurisdiction. The Arbitration Panel may not award punitive damages or any other relief

not contemplated by this Agreement. In particular, the Arbitration Panel may not order the dissolution, liquidation or other termination of the Company except as specifically contemplated by the Formation Agreement.

(h) Each party will bear a pro rata share of all fees, costs and expenses of the arbitrators, and notwithstanding any law to the contrary, each party will bear all the fees, costs and expenses of its own attorneys, experts and witnesses; provided, however, that in connection with any judicial proceeding to compel arbitration pursuant to this Agreement or to confirm, vacate or enforce any award rendered by the Arbitration Panel, the prevailing party in such a proceeding will be entitled to recover reasonable attorneys' fees and expenses incurred in connection with such proceeding, in addition to any other relief to which it may be entitled.

12.14. JUDICIAL PROCEDURE. Nothing in Sections 12.12 or 12.13 shall be construed to prevent any party from seeking from a court a temporary restraining order or other temporary or preliminary relief pending final resolution of a Dispute pursuant to such Sections 12.12 or 12.13.

12.15. TERMINATION OF ALLIANCE AGREEMENT. Except with respect to the provisions of Sections 3.1(d), 3.1(e), 3.2(d) and 3.2(e) of the Alliance Agreement and the obligations of the parties under Article V of the Alliance Agreement with respect to such sections, the Alliance Agreement shall be terminated in all respects as of the Closing Date.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officers of the parties hereto as of the date first above written.

FIRST DATA CORPORATION

By: /s/ David J. Treinen

_____

Name: David J. Treinen
Title: Senior Vice President

BANK ONE CORPORATION

By: /s/ Richard J. Lehmann

_____

Name: Richard J. Lehmann
Title: President and Chief Operating Officer

EXHIBIT 99.1

PAYMENTECH

Contacts:
Investors/Analysts: Jean Krone Bono, CFA
(214) 849-3750
Media: Rodney D Bell
(214) 849-3776

FOR IMMEDIATE RELEASE

PAYMENTECH IN AGREEMENT FOR ACQUISITION OF OUTSTANDING SHARES

DALLAS - March 22, 1999 Paymentech, Inc. (NYSE: PTI) today announced it has signed a definitive merger agreement for the acquisition by First Data Corporation (NYSE: FDC) of Paymentech's outstanding shares of common stock, other than shares owned by BANK ONE CORPORATION (NYSE: ONE), at a price of $25.50 per share. Public ownership (approximately 16 million shares) represents approximately 45% of the outstanding shares. Bank One owns the remaining 55%.

In connection with the merger agreement, First Data and Bank One have separately agreed that following the merger they will combine Paymentech's operations with Banc One Payment Services LLC, the existing merchant bank alliance between First Data and BANK ONE CORPORATION. Pamela H. Patsley, currently president and chief executive officer of Paymentech, Inc., will direct the operations of the combined organization.

The transaction is subject to approval by Paymentech, Inc. shareholders, including approval by the holders of at least two-thirds of the shares not owned by Bank One. It is also subject to anti-trust and other regulatory approvals, as well as other conditions. It is anticipated the transaction could be completed during the third calendar quarter. No assurance can be given that this agreement will result in a transaction.

Additionally, Paymentech has completed a processing agreement that was previously announced between First Data Merchant Services Corporation, a wholly owned subsidiary of First Data Corporation, and Paymentech, Inc.

"This is an exciting transaction for our organizations," said Pamela H. Patsley, president and chief executive officer of Paymentech. "First Data, Paymentech and Banc One Payment Services have cultures that are focused on driving top line growth, improving operational efficiency and capitalizing on the opportunities to provide merchants with electronic

commerce solutions. We believe our clients, shareholders and employees will benefit greatly from this strong combination."

"Obviously we are pleased to be able to deepen our already strong relationship with Bank One. We believe this merger significantly strengthens Banc One Payment Services' ability to offer customers a broad array of competitive services," said Ric Duques, chairman and chief executive officer of First Data Corporation.

"Combining Paymentech, Inc. with our First Data alliance simplifies, streamlines and strengthens our participation in this very important market," said Richard W. Vague, chairman and chief executive officer of First USA, a unit of Bank One, and chairman of Paymentech, Inc. "Retail clients need full service processing solutions that allow them to cost effectively accept any form of payment at the point-of-sale. The combination of Paymentech with Banc One Payment Services will allow us to bring our customers the processing scale and efficiency to do that even more effectively."

Paymentech, Inc., founded in 1985, provides full-service electronic payment solutions for merchants, third-party transaction processing, and total commercial card payment programs. Paymentech is a leading acquirer of bankcard transactions in the United States and a leading commercial card issuer.

www.paymentech.com