

DELUXE CORP
Form 424B3
November 23, 2004
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Filed Pursuant to Rule 424(b)(3)

Registration Statement No. 333-120381

PROSPECTUS

DELUXE CORPORATION

Offer to Exchange

\$325,000,000 3¹/₂% Senior Notes due 2007

and

\$275,000,000 5¹/₈% Senior Notes due 2014

We are offering to exchange up to \$325,000,000 of our 3¹/₂% senior notes due 2007, series B (the "new 2007 notes") and up to \$275,000,000 of our 5¹/₈% notes due 2014, series B (the "new 2014 notes" and with the new 2007 notes, the "new notes"), which will be registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to \$325,000,000 of our outstanding 3¹/₂% notes due 2007 (the "old 2007 notes") and up to \$275,000,000 of our outstanding 5¹/₈% notes due 2014 (the "old 2014 notes" and with the old 2007 notes, the "old notes"), respectively. We are offering to exchange the new notes for the old notes to satisfy our obligations contained in the registration rights agreement that we entered into when the old notes were sold pursuant to Rule 144A and Regulation S under the Securities Act. The old notes surrendered in exchange for the new notes will be retired and canceled and will not be reissued. Accordingly, issuance of the new notes will not result in any increase in our outstanding debt.

The terms of each series of new notes are identical in all material respects to the terms of the related series of old notes, except that the transfer restrictions, registration rights and additional interest provisions relating to the old notes do not apply to the new notes.

There is no existing public market for the old notes or the new notes. We do not intend to list the new notes on any securities exchange or seek approval for quotation through any automated trading system.

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You may withdraw your tender of the old notes at any time before the expiration of the exchange offer. We will exchange all of the old notes that are validly tendered and not withdrawn.

The exchange offer expires at 5:00 p.m., New York City time, on December 27, 2004, unless extended.

The exchange of notes will not be a taxable event for U.S. federal income tax purposes.

We will not receive any proceeds from the exchange offer.

You should carefully review the risk factors beginning on page 14 of this prospectus.

To exchange your old notes for new notes of the same series:

You must complete and send the letter of transmittal that accompanies this prospectus to Wells Fargo Bank, N.A., the exchange agent, by 5:00 p.m., New York City time, on December 27, 2004, unless extended.

If your old notes are held in book-entry form at The Depository Trust Company, you must instruct DTC, through your signed letter of transmittal, that you wish to exchange your old notes for new notes. When the exchange offer closes, your DTC account will be changed to reflect your exchange of old notes for new notes.

You should read the section called "Exchange Offer" for additional information on how to exchange your old notes for new notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 23, 2004

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You should rely only on the information contained in this prospectus or that we have referred you to. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer of these securities in any state where the offer is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of the date of delivery of this prospectus or the sale of the securities made hereunder. Our business, financial condition, results of operations and prospects may have changed since that date.

Each broker-dealer that receives new notes for its own account in exchange for old notes acquired by the broker-dealer as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus in connection with any resale of those new notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a participating broker-dealer in connection with resales of new notes received in exchange for such old notes. For a period of up to 180 days after the expiration date of the exchange offer, we will make this prospectus, as amended or supplemented, available to any such broker-dealer that requests copies of this prospectus in the letter of transmittal for use in connection with any such resale. See Plan of Distribution.

Until February 22, 2005, all dealers that buy, sell or trade the new notes, whether or not participating in the exchange offer, may be required to deliver a prospectus. This requirement is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters.

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Deluxe Corporation is a Minnesota corporation. Our principal executive offices are located at 3680 Victoria St. N., Shoreview, Minnesota 55126 and our telephone number at that address is (651) 483-7111. Our website is located at <http://www.deluxe.com>. The information on our website is not part of this prospectus.

In this prospectus, Deluxe, the Company, we, us and our refer to Deluxe Corporation, except where the context otherwise requires or as otherwise indicated.

Market data and other statistical information used throughout this prospectus are based on independent industry publications, government publications, reports by market research firms or other published independent sources. Some data are also based on our good faith estimates, which are derived from our review of internal surveys, as well as the independent sources listed above. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness.

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FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 (the Reform Act) provides a safe harbor for forward-looking statements to encourage companies to provide prospective information. When we use the words or phrases should result, believe, intend, plan, are expected to, targeted, will continue, will approximate, is anticipated, estimate, project or similar expressions in this prospectus (including the information incorporated herein by reference), in future filings with the Securities Exchange Commission, in our press releases and in oral statements made by our representatives, they indicate forward-looking statements within the meaning of the Reform Act.

While we believe that the expectations reflected in our forward-looking statements are reasonable, we want to caution you that any forward-looking statements made by us or on our behalf are subject to uncertainties and other factors that could cause them to be wrong. Some of these uncertainties and other factors include:

The check printing portion of the payments industry is mature and if it declines faster than expected, it could have a materially adverse impact on our operating results;

We face intense competition in all areas of our business;

Continuing softness in direct mail response rates could have an adverse impact on our operating results;

Consolidation among financial institutions may adversely affect our ability to sell our products;

Standardized business forms and related products face technological obsolescence and changing customer preferences;

We face uncertainty with respect to recent and future acquisitions;

Our failure to successfully implement a project we have undertaken to replace major portions of our existing sales and distribution systems could negatively impact our business;

The success of our apparel business is dependent on our ability to secure reliable inventory sources, as well as the success of the promotional activities of our apparel licensors;

Forecasts involving future results reflect various assumptions that may prove to be incorrect;

Economic conditions within the United States could have an adverse effect on our operating results;

We may be unable to protect our rights in intellectual property;

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We are dependent upon third party providers for certain significant information technology needs;

Legislation relating to consumer privacy protection could harm our business;

We may be subject to sales and other taxes which could have adverse effects on our business; and

We may be subject to environmental risks.

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Although we have attempted to compile a comprehensive list of these important factors, we want to caution you that other factors may prove to be important in affecting future operating results. New factors emerge from time to time, and it is not possible for us to predict all of these factors, nor can we assess the impact each factor or combination of factors may have on our business. In addition, any of these factors may have affected our past, as well as current, forward-looking statements about future results, so that our actual results in the future may differ materially from those expressed in prior communications.

You are further cautioned not to place undue reliance on those forward-looking statements because they speak only of our views as of the date the statements were made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. See [Where You Can Find More Information](#) and [Risk Factors](#).

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read and copy our reports, proxy statements and other information at the SEC's public reference facilities at Judiciary Plaza, 450 Fifth Street N.W., Room 1024, Washington, D.C. 20549. You can also obtain copies of these materials at prescribed rates from the Public Reference Section of the SEC, 450 Fifth Street N.W., Washington, D.C. 20549. Please call the SEC at 1-800-732-0330 for further information on the public reference facilities.

We also file documents electronically with the SEC. The SEC maintains a website that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The address of this website is <http://www.sec.gov>. You may also inspect our reports, proxy statements and other information at the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

We incorporate by reference the documents listed below and any of our future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); provided, however, that we are not incorporating any information furnished rather than filed in any current report on Form 8-K. The incorporated documents are considered part of this prospectus. We are disclosing important information to you by referring you to these documents. The information that we file later with the SEC will automatically supersede information contained in this prospectus.

Our Annual Report on Form 10-K for the year ended December 31, 2003;

Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2004, June 30, 2004 and September 30, 2004;

Our Current Reports on Form 8-K filed on July 9, 2004, as amended twice on September 10, 2004 and filed on September 28, 2004, September 29, 2004 and October 4, 2004;

The audited financial statements and related report and schedules of New England Business Service, Inc. at June 28, 2003 and June 29, 2002 and for each of the three fiscal years ended June 28, 2003, June 29, 2002 and June 30, 2001, contained in the Annual Report on Form 10-K of New England Business Service, Inc. for the year ended June 28, 2003, filed on September 5, 2003; and

The financial statements and related schedules for New England Business Service, Inc. at March 27, 2004 and for each of the nine months ended March 27, 2004 and March 29, 2003, contained in the Quarterly Report on Form 10-Q of New England Business Service, Inc., filed on May 11, 2004.

You may request a copy of these filings at no cost by writing or telephoning us at the following address:

Investor Relations

Deluxe Corporation

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3680 Victoria Street North

Shoreview, Minnesota 55126-2966

(651) 483-7111

We also make available through our website, <http://www.Deluxe.com>, our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K as soon as reasonably practicable after these items are electronically filed with the SEC.

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To obtain timely delivery of these filings, you must request the information no later than December 17, 2004, or five business days prior to the expiration date of the exchange offer if the exchange offer is extended.

We have filed with the SEC under the Securities Act and the rules and regulations thereunder a registration statement on Form S-4 with respect to the new notes. This prospectus is a part of that registration statement. As allowed by SEC rules, this prospectus does not contain all the information you can find in the registration statement or the exhibits to the registration statement. The exhibits to the registration statement contain the full text of certain agreements and other important documents we have summarized in this prospectus. Because these summaries may not contain all of the information that you may find important in deciding whether to exchange the old notes for new notes, you should review the full text of these documents.

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SUMMARY

The following summary highlights certain information about Deluxe, the exchange offer and the new notes and the old notes. It may not contain all the information that is important to you in deciding to participate in the exchange offer. More detailed information appears elsewhere in this prospectus and in our consolidated financial statements and accompanying notes that we incorporate by reference. Exchange Offer and the Description of the Notes sections of this prospectus contain more detailed information regarding the terms and conditions of the exchange offer and the new notes.

Deluxe Corporation

We are the largest provider of checks in the United States, both in terms of revenue and number of checks produced. We design, manufacture and distribute a comprehensive line of printed checks. In addition to checks, we also offer other personalized printed items (e.g., business forms, business cards, stationery, greeting cards, labels, and shipping and packaging supplies), promotional products and merchandising materials, fraud prevention services and customer retention programs. On June 25, 2004, we acquired New England Business Service, Inc. (NEBS), a leading provider of products and services to small businesses.

With the acquisition of NEBS, we currently operate as four business segments: Financial Services, Direct Checks, Business Services and NEBS.

Financial Services. Financial Services sells checks, related products and check merchandising services to approximately 8,000 financial institution clients nationwide, including banks, credit unions and financial services companies. Additionally, Financial Services offers enhanced services to our financial institution clients, such as customized reporting, file management, expedited account conversion support and fraud prevention. Consumers typically submit their check orders to their financial institution, which forwards those orders to us. We then process the orders and ship them directly to the consumers. Financial Services produces a wide range of check designs, with many consumers preferring one of the dozens of licensed designs we offer, including Disney®, Warner Brothers®, NASCAR®, Harley Davidson®, Coca-Cola® and Laura Ashley®. We are committed to our financial institution relationships and seek to strengthen and expand them by emphasizing the breadth and value of our checks and related products and services. Financial Services operates only in the United States.

Direct Checks. Direct Checks is the nation's leading direct-to-consumer check supplier, selling under the Checks Unlimited® and Designer® Checks brands. Through these two brands, Direct Checks sells personal and business checks, as well as related products, using direct response marketing and the Internet. We use a variety of direct marketing techniques to acquire new customers, including freestanding inserts in newspapers, in-package advertising, statement stuffers and co-op advertising. We also use e-commerce strategies to direct traffic to our websites. We continue to emphasize telephone and Internet contacts because they provide a more efficient way of selling products than through the mail. As a result, Direct Checks received 24% of its order volume through the Internet in the first nine months of 2004 via three websites: www.checksunlimited.com, www.designerchecks.com and www.checks.com. Direct Checks operates only in the United States.

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Business Services. Business Services is a leading supplier of checks, forms and related products to small businesses and home offices through financial institution referrals, business alliances and via direct mail and the Internet. We offer software-compatible laser checks and forms, manual business checks and forms, business cards, stationery and other business products and accessories and currently have a database of approximately 2.2 million customers. Business Services works with financial institutions to help them better meet the needs of small business customers. Through a successful business referral program, our financial institution clients refer new small business customers by calling us directly at the time of new account opening. Once contacted by the small business customer, our call center associates spend time learning about their business and accounting requirements and help them order software compatible checks, forms and other related products that fit their needs. This personal approach, coupled with an integrated direct marketing strategy targeting existing customers, results in satisfied customers for both the financial institution and for us. Business Services operates only in the United States.

NEBS. We are in the process of evaluating how NEBS's various lines of business will be incorporated into our reportable business segments. Until this evaluation is completed, we will manage and monitor NEBS as a separate segment. NEBS is a leading provider of products and services to small businesses. Its offerings include checks, forms, packaging supplies, embossed foil anniversary seals and other printed material which are marketed through direct mail, telesales, a direct sales force, dealers, dedicated distributors and the Internet. NEBS also designs, embroiders and sells specialty apparel products through distributors and independent sales representatives. NEBS operates primarily in the United States, but also has operations in Canada, the United Kingdom and France.

Competitive Strengths

Our competitive strengths include:

Market Leader. We are the world's leading printer of checks for businesses and consumers. We currently print approximately half of the 40 billion checks written each year in the United States. Our Direct Checks and Financial Services segments are both market leaders.

Broad customer base, comprehensive small business product and service offerings and expanded distribution channels. With the acquisition of NEBS, we have a customer base of more than 6 million small businesses, one of the most comprehensive product and service offerings for small businesses and a network of independent dealers.

Established Relationships with Our Financial Institution Clients. We have established strong relationships with a diverse base of financial institution clients. Our Financial Services segment has approximately 8,000 financial institution clients. We continuously supplement our product portfolio to meet client needs. We also offer a range of check program management services for our financial institution clients that have enhanced their customer relationships. We typically have supply agreements with our largest financial institution clients with an average term of three to five years.

Low-Cost Producer. Proprietary printing technology and process improvements have enabled us to be both a low-cost producer and a quality leader. Our leading market position and order volume provide us with greater purchasing leverage with our suppliers and reduce our per-unit overhead costs. Excluding the NEBS acquisition, we reduced the number of our printing facilities

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from a peak of more than 60 to just 11 as of September 30, 2004, and substantially reduced our employee base through our cost management strategy. In addition, we have implemented manufacturing processes which have contributed to the elimination of unproductive activities in the production cycle, allowing us to achieve efficiency gains.

Marketing Expertise. We have developed our marketing expertise through our knowledge and understanding of customers' check buying preferences and effective check merchandising strategies. Associates in our call centers use the product knowledge and understanding of our customers' buying preferences to increase customer satisfaction.

Proprietary Technology and Superior Product Quality. We have developed proprietary printing technologies such as digitally-driven offset printing. This technology achieves a Magnetic Ink Character Recognition (MICR) accuracy rate of 99.9%, the highest in the industry. The result of this proprietary technology and high accuracy is a lower reject rate for our checks during the highly automated check scanning process. Based on a study by QualPro (a leading independent quality testing firm) contained in our press release issued on January 31, 2002, the MICR reject rate of our checks is significantly lower than the MICR reject rate of the checks printed by our competitors. Our superior MICR quality allows our financial institution clients to dramatically reduce costs related to re-processing checks.

Business Strategy

Our employees are guided by five key business objectives: revenue growth; customer loyalty; talent and diversity in our workforce; cost management; and transformation. The key strategies to accomplish these objectives include pursuing acquisitions which leverage our core competencies, are accretive to earnings and generate cash from operating activities; strengthening our leading position in the markets in which we compete; and expanding into closely related or adjacent products and services.

Revenue growth. We intend to pursue new clients and customers for our existing products and services, as well as sell additional services and new product offerings to our existing clients and customers. We plan to accomplish this objective by pursuing acquisitions and developing and executing effective marketing offers and programs in existing and new channels. We also plan to increase revenue from new and existing customers by using selling strategies that maximize the revenue generated from each order.

Customer loyalty. We intend to strengthen our relationships with customers by providing new and enhanced products and services, as well as continuously improving our processes and tools to deliver increased customer satisfaction.

Talent and diversity in our workforce. We invest in our employees to attract and retain those who have the skills and motivation to deliver on our commitment to customers and support our strategic initiatives.

Cost management. We invest in technology and processes that continue to lower our cost structure. Past initiatives to reduce costs and improve efficiency included developing proprietary print technology, consolidating facilities, implementing more efficient manufacturing processes, selectively outsourcing non-core activities and increasing the use of electronic channels for order placement. Our operational excellence is a contributing factor to our ability to successfully execute an acquisition program.

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Transformation. We intend to develop or acquire products and services that will generate revenue not entirely dependent on the number, size or frequency of check order transactions. With the acquisition of NEBS, we have expanded our product offerings, customer base and non-check revenue. Our intent is to expand and strengthen the relationships we have with financial institutions and small businesses by creating unique value propositions across both channels.

Recent Developments

On June 25, 2004, we acquired via a tender offer approximately 98% of the outstanding common stock of New England Business Service, Inc., or NEBS, for \$44 per share. Immediately following the close of the tender offer, we completed a merger under which NEBS became a wholly owned subsidiary and we became obligated to acquire the untendered shares at a price of \$44 per share. We also agreed to redeem all outstanding NEBS stock options for \$44 per option less the option exercise price. The total purchase price for the acquisition of NEBS was approximately \$639,600,000. NEBS is a leading provider of products and services to small businesses. We believe NEBS is a strategic fit, as we both serve small business customers, and the acquisition expands our product offerings, customer base and non-check revenue. For the audited and unaudited financial statements of NEBS, see the information set forth in the Annual Report on Form 10-K of NEBS for the year ended June 28, 2003, filed on September 5, 2003, and the Quarterly Report on Form 10-Q of NEBS for the quarter ended March 27, 2004, filed on May 11, 2004. Such audited and unaudited financial statements are incorporated by reference into this prospectus.

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SUMMARY OF THE EXCHANGE OFFER

The Initial Offering of Old Notes

We sold the old notes on October 1, 2004 to J.P. Morgan Securities Inc. and Wachovia Capital Markets, LLC and certain other initial purchasers pursuant to a purchase agreement between us and these entities, dated September 28, 2004. We refer to J.P. Morgan Securities Inc., Wachovia Capital Markets, LLC and the other initial purchasers that they represented in this prospectus collectively as the initial purchaser. The initial purchaser subsequently resold the old notes: (i) to qualified institutional buyers pursuant to Rule 144A; or (ii) outside the United States in compliance with Regulation S, each as promulgated under the Securities Act.

Registration Rights Agreement

Simultaneously with the initial sale of the old notes to the initial purchasers, we entered into a registration rights agreement with the initial purchasers for the exchange offer. In the registration rights agreement, we agreed, among other things, to file a registration statement with the SEC and to use our best efforts to commence and complete this exchange offer within 210 days of issuing the old notes. The exchange offer is intended to satisfy our obligations under the registration rights agreement. After the exchange offer is completed, you will no longer be entitled to any exchange or registration rights with respect to your old notes.

The Exchange Offer

We are offering to exchange the new notes, which have been registered under the Securities Act, for your old notes, which were issued on October 1, 2004 in the initial offering. In order to be exchanged, an old note must be properly tendered and accepted. All old notes that are validly tendered and not validly withdrawn by the expiration date of the exchange offer will be exchanged. We will issue new notes promptly after the expiration of the exchange offer.

Resales

We believe that the new notes issued in the exchange offer may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act provided that:

the new notes are being acquired in the ordinary course of your business;

you are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the new notes issued to you in the exchange offer; and

you are not an affiliate of ours.

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If any of these conditions are not satisfied and you transfer any new notes issued to you in the exchange offer without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration of your new notes from these requirements, you may incur liability under the Securities Act. We will not assume, nor will we indemnify you against, any such liability.

Each broker-dealer that is issued new notes in the exchange offer for its own account in exchange for old notes that were acquired by that broker-dealer as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the new notes. For a period of up to 180 days after the completion of the exchange offer, a broker-dealer may use this prospectus for an offer to resell, resale or other retransfer of the new notes issued to it in the exchange offer. See Plan of Distribution.

Record Date We mailed this prospectus and the related exchange offer documents to registered holders of the old notes on November 23, 2004.

Expiration Date The exchange offer will expire at 5:00 p.m., New York City time, December 27, 2004, unless we decide to extend the expiration date.

Conditions to the Exchange Offer The exchange offer is not subject to any conditions other than that the exchange offer will not violate applicable law or any applicable interpretation of the staff of the SEC and that there are no actions or proceedings in any court or by any government agency that may materially impair our ability to conduct the exchange offer and that we have obtained all necessary governmental approval for the consummation of the exchange offer.

Procedures for Tendering Old Notes If you wish to tender your old notes for exchange in this exchange offer, you must transmit to the exchange agent on or before the expiration date either:

an original or a facsimile of a properly completed and duly executed copy of the letter of transmittal, which accompanies this prospectus, together with your old notes and any other documentation required by the letter of transmittal, at the address provided on the cover page of the letter of transmittal; or

If the notes you own are held of record by The Depository Trust Company, or DTC, in book-entry form and you are making delivery by book-entry transfer, a computer-generated agent's message transmitted to the exchange agent's account at DTC, in which you acknowledge and agree to be bound by the terms of the letter of transmittal and which, when received by the exchange

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agent, forms a part of a confirmation of book-entry transfer must be delivered. As part of the book-entry transfer, DTC will facilitate the exchange of your notes and update your account to reflect the issuance of the new notes to you. DTC's Automated Tender Offer Program system, or ATOP, allows you to electronically transmit your acceptance of the exchange offer to DTC instead of physically completing and delivering a letter of transmittal to the notes exchange agent.

In addition, you must deliver to the exchange agent on or before the expiration date:

a timely confirmation of book-entry transfer of your old notes into the account of the exchange agent at DTC if you are effecting delivery of book-entry transfer, or

if necessary, the documents required for compliance with the guaranteed delivery procedures.

Special Procedures for Beneficial Owners

If you are the beneficial owner of book-entry interests and your name does not appear on a security position listing of DTC as the holder of the book-entry interests or if you are a beneficial owner of old notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender the book-entry interest in the old notes in the exchange offer, you should contact the person in whose name your book-entry interests in the old notes are registered promptly and instruct that person to tender on your behalf.

Withdrawal Rights

You may withdraw the tender of your old notes at any time prior to 5:00 p.m., New York City time, on the latest expiration date.

Federal Income Tax Considerations

The exchange of old notes for new notes should not be a taxable event for United States federal income tax purposes.

Failure to Exchange Your Old Notes

If you fail to exchange your old notes for new notes in the exchange offer, your old notes will continue to be subject to transfer restrictions and you will not have any further rights under the registration rights agreement, including any right to require us to register your old notes or to pay any additional interest.

Use of Proceeds

We will not receive any proceeds from the issuance of the new notes pursuant to the exchange offer. We will pay all of our expenses incident to the exchange offer.

Exchange Agent

Wells Fargo Bank, N.A. is serving as the exchange agent in connection with the exchange offer.

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SUMMARY OF TERMS OF THE NEW NOTES

The form and terms of the new notes are the same as the form and terms of the old notes, except that the new notes will be registered under the Securities Act. As a result, the new notes will not bear legends restricting their transfer and will not contain the registration rights and additional interest provisions contained in the old notes. The new notes represent the same debt as the old notes. Both the old notes and the new notes are governed by the same indenture. Unless the context otherwise requires, we use the term notes in this prospectus to collectively refer to the old notes and the new notes.

Issuer	Deluxe Corporation.
Notes offered	\$600,000,000 aggregate initial principal amount of notes, consisting of \$325,000,000 aggregate initial principal amount of 3 1/2% notes due 2007, series B (the new 2007 notes) and \$275,000,000 aggregate initial principal amount of 5 1/8% notes due 2014, series B (the new 2014 notes and with the new 2007 notes the new notes).
Interest	The new 2007 notes will accrue interest from the date of their issuance at the rate of 3 1/2% per year. The new 2014 notes will accrue interest from the date of their issuance at the rate of 5 1/8% per year. We will pay interest on the new notes on April 1 and October 1 of each year, beginning April 1, 2005, and on the date of maturity.
Maturity date	The new 2007 notes will mature on October 1, 2007. The new 2014 notes will mature on October 1, 2014.
Redemption and Sinking Fund	We may redeem some or all of the new 2014 notes at any time at a redemption price described under Description of the Notes Optional Redemption. We will not be able to redeem the new 2007 notes. There will be no sinking fund with respect to the new notes.
Ranking	The new notes will be unsecured and unsubordinated and will rank equally with all our other unsecured and unsubordinated indebtedness and other obligations.
Form and Denomination	The new notes will be issued in denominations of \$1,000 and integral multiples thereof. The new notes of each series will be issued in the form of one or more global notes which will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co., DTC's nominee. Beneficial interests in the global notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC.
No Limit on Debt	The indenture governing the new notes does not limit the amount of indebtedness that we may incur or provide holders any protection should we be involved in one or more highly leveraged transaction.

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Absence of a public market The new notes are a new issue of securities and there is currently no established market for them. Accordingly, there can be no assurance as to the development or liquidity of any market for the new notes.

Governing Law The new notes and the indenture will be governed by New York law.

Additional Notes We may issue additional notes under the indenture having the same terms in all respects as either series of the new notes. The new 2007 notes and the new 2014 notes offered hereby and any such additional notes would be each treated as a single class for all purposes under the indenture and would each vote together as one class on all matters with respect to the new 2007 notes or the new 2014 notes.

Risk factors See **Risk factors** beginning on page 14 for discussion of factors you should carefully consider before deciding to participate in the exchange offer.

For a more complete description of the terms of the new notes, see **Description of the Notes**.

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RISK FACTORS

Investing in the notes involves risk. In addition to the information set forth elsewhere in this prospectus, you should consider carefully the factors set forth below in connection with an investment in our notes.

Risks Related to Our Business

The check printing portion of the payments industry is mature and if it declines faster than expected, it could have a materially adverse impact on our operating results.

Check printing is, and is expected to continue to be, an essential part of our business and the principal source of our operating income. We primarily sell checks for personal and small business use and believe that there will continue to be a substantial demand for these checks for the foreseeable future. However, according to our estimates, the total number of checks written by individuals and small businesses continued to decline slightly in 2003, and the total number of personal, business and government checks written in the United States has been in decline since the mid-1990s. We believe that the number of checks written will continue to decline due to the increasing use of alternative payment methods, including credit cards, debit cards, smart cards, automated teller machines, direct deposit, electronic and other bill paying services, home banking applications and Internet-based payment services. However, the rate and the extent to which alternative payment methods will achieve consumer acceptance and replace checks, whether as a result of legislative developments, personal preference or otherwise, cannot be predicted with certainty. A surge in the popularity of any of these alternative payment methods could have a material, adverse effect on the demand for checks and a material, adverse effect on our business, results of operations and prospects.

We face intense competition in all areas of our business.

Although we are the leading check printer in the United States, we face considerable competition. In addition to competition from alternative payment systems, we also face intense competition from other check printers in our traditional financial institution sales channel, from direct mail sellers of checks, from sellers of business checks and forms, from check printing software vendors and, increasingly, from Internet-based sellers of checks to individuals and small businesses. Additionally, low-price, high volume office supply chain stores offer standardized business forms, checks and related products to small businesses. The corresponding pricing pressure placed on us has been significant and has resulted in reduced profit margins. We expect these pricing pressures to continue to impact our results of operations. We cannot assure you that we will be able to compete effectively against current and future competitors. Continued competition could result in additional price reductions, reduced profit margins, loss of customers and an increase in up-front cash payments to financial institutions upon contract execution or renewal.

Continuing softness in direct mail response rates could have an adverse impact on our operating results.

Our direct-to-consumer businesses, including portions of our newly acquired NEBS business, have experienced declines in response and retention rates related to direct mail promotional materials. We believe that these declines are attributable to a number of factors, including the

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decline in check usage, the overall increase in direct mail solicitations received by our target customers, the gradual obsolescence of NEBS standardized forms products and in the case of our direct-to-consumer check business, the multi-box promotional strategies employed by us and our competitors. To offset these impacts, we may have to modify and/or increase our marketing and sales efforts, which could result in increased expense. The profitability of our direct-to-consumer businesses depends in large part on our ability to secure adequate advertising media placements at acceptable rates, as well as the consumer response rates generated by such advertising, and there can be no assurances regarding the future cost, effectiveness and/or availability of suitable advertising media. Competitive pressure may inhibit our ability to reflect any of these increased costs in the prices of our products. We can provide no assurance that we will be able to sustain our current levels of profitability in this situation.

Consolidation among financial institutions may adversely affect our ability to sell our products.

The number of financial institutions has declined due to large-scale consolidation in the last few years. In recent months, financial institution consolidation activities have begun to increase once again. Margin pressures arise from such consolidation as merged entities seek not only the most favorable prices formerly offered to the predecessor institutions, but also additional discounts due to the greater volume represented by the combined entity. This concentration greatly increases the importance of retaining our major financial institution clients and attracting significant additional clients in an increasingly competitive environment. The increase in general negotiating leverage possessed by such consolidated entities also presents a risk that new and/or renewed contracts with these institutions may not be secured on terms as favorable as those historically negotiated with these clients. Although we devote considerable efforts toward the development of a competitively priced, high quality suite of products and services for the financial services industry, there can be no assurance that significant financial institution clients will be retained or that the loss of a significant client can be counterbalanced through the addition of new clients or by expanded sales to our remaining clients.

Standardized business forms and related products face technological obsolescence and changing customer preferences.

Continual technological improvements have provided small business customers with alternative means to enact and record business transactions. For example, the price and performance capabilities of personal computers and related printers now provide a cost effective means to print low quality versions of business forms on plain paper. Additionally, electronic transaction systems and off-the-shelf business software applications have been designed to automate several of the functions performed by business forms products. If we are unable to develop new products and services with comparable profit margins, our results of operations could be adversely affected.

We face uncertainty with respect to recent and future acquisitions.

We acquired NEBS in June 2004 and may pursue additional acquisitions in the future. We cannot predict whether suitable acquisition candidates can be acquired on acceptable terms or whether any acquired products, technologies or businesses will contribute to our revenues or earnings to any material extent. Significant acquisitions typically result in the incurrence of contingent

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liabilities or debt, or additional amortization expense related to acquired intangible assets, and thus, could adversely affect our business, results of operations and financial condition. Additionally, the success of any acquisition depends upon our ability to effectively integrate the acquired businesses into ours. The process of integrating acquired businesses involves numerous risks, including, among others, difficulties in assimilating operations and products, diversion of management's attention from other business concerns, risks of operating businesses in which we have limited or no direct prior experience, potential loss of our key employees or key employees of acquired businesses, potential exposure to unknown liabilities and possible loss of our clients and customers or clients and customers of the acquired businesses.

Our failure to successfully implement a project we have undertaken to replace major portions of our existing sales and distribution systems could negatively impact our business.

During 2005, we plan to implement a new sales and distribution system in major portions of our order processing and call center operations. Once implemented, we expect the new system to reduce redundancy while standardizing systems and processes and reduce our costs. This is a significant information systems project with wide-reaching impacts on our internal operations and business. We can provide no assurance that the amount of this investment will not exceed our expectations and result in materially increased levels of expense. There is also no assurance that this initiative will achieve the expected cost savings or result in a positive return on our investment. Additionally, if the new system does not operate as intended, or is not implemented as planned, there could be disruptions in our business which could adversely affect our results.

The success of our apparel business is dependent on our ability to secure reliable inventory sources, as well as the success of the promotional activities of our apparel licensors.

We purchase a majority of our apparel products from manufacturers located outside the United States. In most cases, these same manufacturers supply other apparel companies, many of which are significantly larger than us. Because of their larger size, these apparel companies are able, when necessary, to secure preferential treatment from the manufacturers. The availability of product from these manufacturers can also be adversely impacted by social, political and economic conditions in their respective countries. If a significant disruption in our supply of apparel products were to occur, we can provide no assurance that we would be able to readily locate alternative supply sources at comparable levels of price and quality.

Additionally, our apparel business is dependent on our apparel licensors to adequately promote our licensed brands and protect those brands from infringement. We believe that brand awareness is an important factor to our apparel customers. As such, we sell a majority of our products under nationally-recognized brands licensed from third parties. In each case, the licensor is primarily responsible for promoting its brand and protecting its brand from infringement. The failure of one or more of our licensors to adequately promote or defend their brands could diminish the perceived value of those brands to our customers and result in reduced revenue and profits.

Forecasts involving future results reflect various assumptions that may prove to be incorrect.

From time to time, our representatives make predictions or forecasts regarding our future results, including, but not limited to, forecasts regarding estimated revenues, earnings or earnings per

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share. Any forecast regarding our future performance reflects various assumptions which are subject to significant uncertainties, and, as a matter of course, may prove to be incorrect. Further, the achievement of any forecast depends on numerous factors which are beyond our control. As a result, we cannot assure you that our performance will be consistent with any management forecasts or that the variation from such forecasts will not be material and adverse. You are cautioned not to base your entire analysis of our business and prospects upon isolated predictions, and are encouraged to use the entire available mix of historical and forward-looking information made available by us, and other information affecting us and our products and services, including the factors discussed here.

In addition, independent analysts periodically publish reports regarding our projected future performance. The methodologies we employ in arriving at our own internal projections and the approaches taken by independent analysts in making their estimates are likely different in many significant respects. We expressly disclaim any responsibility to advise analysts or the public markets of our views regarding the current accuracy of the published estimates of independent analysts. If you are relying on these estimates, you should pursue your own investigation and analysis of their accuracy and the reasonableness of the assumptions on which they are based.

Economic conditions within the United States could have an adverse effect on our operating results.

Downturns in general economic conditions adversely affected our 2003 operating results. Consumer spending, employment levels and small business confidence are a few of the statistics which impact our business, among others. If these economic factors do not continue to show improvement, as they have in recent quarters, we could experience additional declines in our revenue and profitability.

We may be unable to protect our rights in intellectual property.

Despite our efforts to protect our intellectual property, third parties may infringe or misappropriate our intellectual property or otherwise independently develop substantially equivalent products and services. In addition, designs licensed from third parties account for an increasing portion of our revenues, and there can be no guarantee that such licenses will be available to us indefinitely or on terms that would allow us to continue to be profitable with those products. The loss of intellectual property protection or the inability to secure or enforce intellectual property protection could harm our business and ability to compete. We rely on a combination of trademark and copyright laws, trade secret protection and confidentiality and license agreements to protect our trademarks, software and know-how. We may be required to spend significant resources to protect our trade secrets and monitor and police our intellectual property rights.

We are dependent upon third party providers for certain significant information technology needs.

We have entered into agreements with third party providers for the provision of information technology services, including software development and support services, and personal computer, telecommunications, network server and help desk services. In the event that one or more of these providers is not able to provide adequate information technology services, we

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would be adversely affected. Although we believe that information technology services are available from numerous sources, a failure to perform by one or more of our service providers could cause a disruption in our business while we obtain an alternative source of supply.

Legislation relating to consumer privacy protection could harm our business.

We are subject to regulations implementing the privacy and information security requirements of the federal financial modernization law known as the Gramm-Leach-Bliley Act (the "Act"). The Act requires us to develop and implement policies to protect the security and confidentiality of consumers' nonpublic personal information and to disclose these policies to consumers before a customer relationship is established and annually thereafter. These regulations could have the effect of foreclosing future business initiatives.

The Act does not prohibit state legislation or regulations that are more restrictive on the collection and use of data. More restrictive legislation or regulations have been introduced in the past and could be introduced in the future in Congress and the states. We are unable to predict whether more restrictive legislation or regulations will be adopted in the future. Any future legislation or regulations could have a negative impact on our business, results of operations or prospects.

Laws and regulations may be adopted in the future with respect to the Internet, e-commerce or marketing practices generally relating to consumer privacy. Such laws or regulations may impede the growth of the Internet and/or use of other sales or marketing vehicles. As an example, new privacy laws could decrease traffic to our websites, decrease telemarketing opportunities and decrease the demand for our products and services. Additionally, the applicability to the Internet of existing laws governing property ownership, taxation, libel and personal privacy is uncertain and may remain uncertain for a considerable length of time.

We may be subject to sales and other taxes which could have adverse effects on our business.

In accordance with current federal, state and local tax laws, and the constitutional limitations thereon, we currently collect sales, use or other similar taxes in state and local jurisdictions where our direct-to-consumer businesses have a physical presence. One or more state or local jurisdictions may seek to impose sales tax collection obligations on us and other out-of-state companies which engage in remote or online commerce. Further, tax law and the interpretation of constitutional limitations thereon is subject to change. In addition, any new operations of these businesses in states where they do not currently have a physical presence could subject shipments of goods by these businesses into such states to sales tax under current or future laws. If one or more state or local jurisdictions successfully asserts that we must collect sales or other taxes beyond our current practices, it could have a material, adverse effect on our business.

We may be subject to environmental risks.

Our check printing facilities are subject to many existing and proposed federal and state regulations designed to protect the environment. In some instances, we owned and operated our check printing facilities before the environmental regulations came into existence. We have sold former check printing facilities to third parties and in some instances have agreed to indemnify the buyer of the facility for certain environmental liabilities. We have obtained insurance

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coverage related to environmental issues at certain of those facilities. We believe that based on current information, we will not be required to incur additional material and uninsured expense with respect to these sites, but unforeseen conditions could result in additional exposure at lesser levels.

Risks Related to the Notes

The notes are effectively subordinated to the obligations of our subsidiaries.

We conduct our operations through our subsidiaries. Although the notes are unsubordinated obligations, they will be effectively subordinated to all liabilities of our subsidiaries, to the extent of their assets. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due under our indebtedness, including the notes, or to make any funds available to us, whether by paying dividends or otherwise, so that we can do so. Our subsidiaries currently do not have any indebtedness outstanding. We have a corporate policy in place prohibiting the incurrence of debt by them, although we have no restrictions on our ability to amend that policy at anytime.

The Indenture does not limit the amount of indebtedness that we may incur.

The Indenture, which is described below under Description of the Notes, does not limit the amount of secured or unsecured indebtedness that we may incur. The Indenture does not contain any debt covenants or provisions that would afford the holders of the notes protection in the event we participate in a highly leveraged transaction.

Ratings of our notes could be lowered in the future.

We expect that the notes will be rated investment grade by one or more nationally recognized statistical rating organizations. A rating is not a recommendation to purchase, hold or sell notes, since a rating does not predict the market price of a particular security or its suitability for a particular investor. The rating organization may lower our rating or decide not to rate our securities in its sole discretion. The rating of the notes will be based primarily on the rating organization's assessment of the likelihood of timely payment of interest when due on the notes and the ultimate payment of principal of the notes on the final maturity date.

The reduction, suspension or withdrawal of the ratings of the notes will not, in and of itself, constitute an event of default under the Indenture.

An active trading market for our notes may not develop.

There is no established trading market for the notes since they are a new issue of securities.

We do not intend to apply for the listing of any notes on a national securities exchange. We cannot assure you as to the liquidity of the public market for the notes or that any active public market for the notes will develop or continue. If an active public market does not develop or continue, the market price and liquidity of the notes may be adversely affected.

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Risks Related To Exchange Offer

Holders who fail to exchange their old notes will continue to be subject to restrictions on transfer.

If you do not exchange your old notes for new notes in the exchange offer, you will continue to be subject to the restrictions on transfer of your old notes described in the legend on the certificates for your old notes. The restrictions on transfer of your old notes arise because we issued the old notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, you may only offer or sell the old notes if they are registered under the Securities Act and applicable state securities laws, or are offered and sold under an exemption from these requirements. We do not plan to register the old notes under the Securities Act. For further information regarding the consequences of tendering your old notes in the exchange offer, see the discussions below under the captions **The Exchange Offer** and **Certain Federal Income Tax Consequences**.

You must comply with the exchange offer procedures in order to receive new, freely tradable notes.

Delivery of new notes in exchange for old notes tendered and accepted for exchange pursuant to the exchange offer will be made only after timely receipt by the exchange agent of the following:

certificates for old notes or a book-entry confirmation of a book-entry transfer of old notes into the exchange agent's account at DTC, including an agent's message, as defined in this prospectus, if the tendering holder does not deliver a letter of transmittal;

a completed and signed letter of transmittal, or facsimile copy, with any required signature guarantees, or, in the case of a book-entry transfer, an agent's message in place of the letter of transmittal; and

any other documents required by the letter of transmittal.

Therefore, holders of old notes who would like to tender old notes in exchange for new notes should be sure to allow enough time for the old notes to be delivered on time. We are not required to notify you of defects or irregularities in tenders of old notes for exchange. Old notes that are not tendered or that are tendered but we do not accept for exchange will, following consummation of the exchange offer, continue to be subject to the existing transfer restrictions under the Securities Act and will no longer have the registration and other rights under the registration rights agreement. See **The Exchange Offer**.

Some holders who exchange their old notes may be deemed to be underwriters and these holders will be required to comply with the registration and prospectus delivery requirements in connection with any resale transaction.

If you exchange your old notes in the exchange offer for the purpose of participating in a distribution of the new notes, you may be deemed to have received restricted securities. If you are deemed to have received restricted securities, you will be required to

comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Table of Contents**NO CASH PROCEEDS TO THE COMPANY**

This exchange offer is intended to satisfy certain of our obligations under the registration rights agreement. We will not receive any proceeds from the issuance of the new notes and have agreed to pay the expenses of the exchange offer. In consideration for issuing the new notes as contemplated in this prospectus, we will receive in exchange old notes in like principal amount. The form and terms of each series of the new notes are identical in all material respects to the form and terms of the related series of old notes, except as otherwise described herein under Exchange Offer Terms of the Exchange Offer.

CAPITALIZATION

The following table sets forth our consolidated capitalization as of September 30, 2004, on a historical basis and as adjusted to reflect the offering of the old notes and the application of the estimated net proceeds therefrom. The information in this table does not give effect to any other events subsequent to September 30, 2004.

Capitalization

	As of September 30, 2004	
(dollars in thousands)	Actual	As Adjusted
Cash and Cash Equivalents	\$ 13,899	\$ 13,899
Short-Term Obligations:		
Short-term debt	318,606	318,606
Current portion of long-term debt	1,503	1,503
Long-Term Obligations:		
Long-term debt	975,559	379,915
Notes offered hereby, net of discount		599,183
Total Debt	1,295,668	1,299,207
Total Shareholders' Deficit	(213,777)	(213,777)
Total Capitalization	\$ 1,081,891	\$ 1,085,430

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratio of our earnings to our fixed charges for the periods indicated.

	Nine Months Ended September 30, 2004	Year Ended December 31,				
		2003	2002	2001	2000	1999
Ratio of earnings to fixed charges (1)	12.6x	14.8x	42.6x	33.2x	18.7x	19.2x
Pro forma earnings to fixed charges (2)	6.9x	6.4x				

(1) For the purpose of computing the ratios of earnings to fixed charges, earnings consist of income from continuing operations before income taxes, plus fixed charges, plus a proportional share of earnings of 50 percent owned companies, less equity in undistributed earnings of companies owned less than 50 percent. Fixed charges consist of interest on all indebtedness, amortization of debt discount and expense and that portion of rental expense deemed to be representative of interest.

(2) Pro forma ratio of earnings to fixed charges for the year ended December 31, 2003, and the nine months ended September 30, 2004, include the estimated impact of incremental interest expense attributable to the old notes and after the exchange offer, the new notes offered pursuant to this prospectus.

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**UNAUDITED PRO FORMA COMBINED
FINANCIAL STATEMENTS**

The following unaudited pro forma combined statements of income give effect to (i) the acquisition of NEBS, (ii) the issuance of the old notes, which evidences the same indebtedness as and will be replaced by the new notes if exchanged and (iii) additional borrowings under our commercial paper program to finance our acquisition of NEBS, as if they all occurred on January 1, 2003. The acquisition of NEBS was completed on June 25, 2004. The assets acquired and liabilities assumed from NEBS were included in our unaudited consolidated balance sheet as of September 30, 2004, which is incorporated herein from our Quarterly Report on Form 10-Q for the quarter ended September 30, 2004 as filed with the SEC on November 4, 2004. As such, a pro forma combined balance sheet as of September 30, 2004 is not presented here.

The unaudited pro forma information has been derived from, and should be read in conjunction with, the historical consolidated financial statements of Deluxe and NEBS and the accompanying notes thereto, incorporated by reference into this prospectus. We have a fiscal year-end of December 31 and, prior to the acquisition, NEBS had a fiscal year-end of the last Saturday in June. The unaudited pro forma combined statement of income for the year ended December 31, 2003 includes our results for our fiscal year 2003 and NEBS's results for the period from December 29, 2002 through December 27, 2003. The unaudited pro forma combined statement of income for the nine months ended September 30, 2004 includes our results for the period from January 1, 2004 through September 30, 2004 and NEBS's results for the period from December 28, 2003 through June 25, 2004.

The estimated purchase price for NEBS has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. This allocation is preliminary, pending the completion of detailed analyses and outside appraisals of the fair values of the assets acquired, as well as completion of management's integration plans. Once these analyses and appraisals are completed, the allocation of the purchase price will be finalized. We anticipate that these analyses and appraisals will be completed within the next few months, at which time the allocation of the purchase price to the assets acquired and liabilities assumed will be adjusted accordingly.

The unaudited pro forma combined statements of income have been prepared in accordance with the rules and regulations of the SEC. These statements are intended for informational purposes only and are not necessarily indicative of the future results of operations of the combined company after the acquisition, or the results of operations of the combined company that would have actually occurred had the acquisition been completed as of the date indicated. For example, we anticipate realizing the benefit of cost savings for combining the two companies and we anticipate incurring charges related to integration activities. The benefits and charges resulting from these actions are not reflected in the unaudited pro forma combined statements of income in accordance with the rules of the SEC.

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For the Year Ended December 31, 2003

(dollars and shares in thousands, except per share amounts)

	Deluxe Corporation Historical	NEBS Pro Forma (see Note 3)	Pro Forma Adjustments (see Note 4)	Pro Forma Combined
Revenue	\$ 1,242,141	\$ 726,613	\$	\$ 1,968,754
Cost of goods sold	425,965	310,198	2,952(a)	739,115
Gross Profit	816,176	416,415	(2,952)	1,229,639
Selling, general and administrative expense	492,511	364,451	29,810(b) 1,589(a)	888,361
Asset impairment and net disposition losses	4,744	13,363		18,107
Operating Income	318,921	38,601	(34,351)	323,171
Other (expense) income	(669)	2,917		2,248
Income Before Interest and Taxes	318,252	41,518	(34,351)	325,419
Interest expense	(19,241)	(7,917)	(30,532)(c) 1,165 (d)	(56,525)
Interest income	369	343		712
Income Before Income Taxes	299,380	33,944	(63,718)	269,606
Provision for income taxes	106,908	18,324	(22,301)(f)	102,931
Net Income	\$ 192,472	\$ 15,620	\$ (41,417)	\$ 166,675
Earnings per Share:				
Basic	\$ 3.53			\$ 3.06
Diluted	3.49			3.02
Average common shares outstanding:				
Basic	54,523			54,523
Diluted	55,228			55,228

The accompanying notes are an integral part of
the unaudited pro forma combined financial statements.

Table of Contents**Unaudited Pro Forma Combined Statement of Income****For the Nine Months Ended September 30, 2004****(dollars and shares in thousands, except per share amounts)**

	Deluxe Corporation Historical	NEBS Pro Forma (see Note 3)	Pro Forma Adjustments (see Note 4)	Pro Forma Combined
Revenue	\$ 1,103,176	\$ 350,138	\$	\$ 1,453,314
Cost of goods sold	380,271	148,621	1,476(a)	530,368
Gross Profit	722,905	201,517	(1,476)	922,946
Selling, general and administrative expense	460,479	181,061	13,343(b)	655,678
			795(a)	
Asset impairment and net disposition losses	33			33
Operating Income	262,393	20,456	(15,614)	267,235
Other income	671	20		691
Income Before Interest and Taxes	263,064	20,476	(15,614)	267,926
Interest expense	(19,303)	(4,507)	(23,038)(c)	(40,754)
			874(d)	
			5,220 (e)	
Interest income	801	84		885
Income Before Income Taxes	244,562	16,053	(32,558)	228,057
Provision for income taxes	93,407	6,494	(11,395)(f)	88,506
Net Income	\$ 151,155	\$ 9,559	\$ (21,163)	\$ 139,551
Earnings per Share:				
Basic	\$ 3.02			\$ 2.79
Diluted	2.99			2.76
Average common shares outstanding:				
Basic	50,089			50,089
Diluted	50,516			50,516

The accompanying notes are an integral part of
the unaudited pro forma combined financial statements.

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Notes to Unaudited Pro Forma Combined

Statements of Income

Note 1: Basis of pro forma presentation

The accompanying unaudited pro forma combined statements of income and related notes are unaudited. In the opinion of management, the pro forma financial statements include all adjustments necessary for a fair presentation of our pro forma results of operations. These financial statements should be read in conjunction with the audited financial statements and related notes included in our Annual Report on Form 10-K as filed with the SEC on March 12, 2004 and NEBS Annual Report on Form 10-K as filed with the SEC on September 5, 2003.

In accordance with the rules and regulations of the SEC, unaudited combined statements may omit or condense certain information and disclosures normally required for a complete set of financial statements prepared in accordance with generally accepted accounting principles. However, management believes that the notes to the unaudited pro forma combined statements of income contain disclosures adequate to make the information presented not misleading.

Note 2: Purchase price allocation

On June 25, 2004, we acquired via a tender offer approximately 98% of the common stock of NEBS for \$44 per share. Immediately following the close of the tender offer, we completed a merger under which NEBS became a wholly-owned subsidiary and we became obligated to acquire the untendered shares at a price of \$44 per share. We also agreed to redeem all outstanding NEBS stock options for \$44 per option less the option exercise price. The total purchase price for the acquisition was comprised of the following (dollars thousands):

Cash payments for NEBS common stock	\$ 585,352
Cash payments to redeem NEBS stock options	44,087
Direct costs of the acquisition	10,161
Total purchase price	\$ 639,600

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The purchase price has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. This allocation is preliminary, pending the completion of detailed analyses and outside appraisals of the fair values of the assets acquired, as well as completion of management's integration plans. Once these analyses and appraisals are completed, the allocation of the purchase price will be finalized. We anticipate that these analyses and appraisals will be completed within the next few months, at which time the allocation of the purchase price to the assets acquired and liabilities assumed will be adjusted accordingly. The following illustrates our preliminary allocation of the purchase price to the assets acquired and liabilities assumed (dollars in thousands):

Cash and cash equivalents	\$ 14,681
Trade accounts receivable	71,563
Inventories and supplies	41,729
Deferred income taxes	21,370
Other current assets	14,732
Long-term investments	2,974
Property, plant and equipment	54,816
Assets held for sale	2,208
Intangibles	333,883
Goodwill	445,450
Other non-current assets	8,420
Accounts payable	(34,729)
Accrued liabilities	(81,963)
Long-term debt due within one year	(10,417)
Long-term debt	(155,203)
Deferred income taxes	(86,902)
Other non-current liabilities	(3,012)
Total purchase price	\$ 639,600

Our preliminary valuation of acquired intangible assets indicates that the fair value of the intangible assets acquired exceeds NEBS historical carrying value for those assets by approximately \$216 million. The estimated fair values for these assets are based on preliminary asset appraisals completed by an independent third party.

Intangible assets acquired consisted of the following (dollars in thousands):

	Amount	Weighted-average amortization period
Indefinite lives:		
Tradenames	\$ 151,200	
Amortizable intangibles:		
Customer lists	103,900	6.3 years
Distributor contracts	30,900	9.0 years
Internal-use software	25,483	3.6 years

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Tradenames	16,100	5.0 years
Bank referral agreements	6,300	11.0 years
Total amortizable intangibles	\$ 182,683	6.5 years
Total intangible assets acquired	\$ 333,883	

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Amortizable tradenames and software are being amortized on the straight-line basis. The other amortizable intangible assets are being amortized using accelerated methods. The amount assigned to intangible assets acquired, as well as the related amortization periods, may change once our detailed analyses and outside asset appraisals are completed. Total amortization expense is expected to be as follows over the next 5 years based on our preliminary asset valuations (dollars in thousands):

2005	\$ 45,669
2006	38,365
2007	27,996
2008	18,667
2009	11,292

Note 3: NEBS pro forma results

The NEBS pro forma results reflect NEBS historical results of operations, adjusted to include acquisitions which NEBS completed during and subsequent to the pro forma periods. In June 2003, NEBS acquired all of the outstanding shares of Safeguard Business Systems, Inc. (SBS), in January 2004, NEBS acquired certain assets of Stephen Fossler Company, Inc. and in April 2004, NEBS acquired certain assets and liabilities of Alles Corporation. The unaudited NEBS pro forma results of operations give effect to these acquisitions as if they had occurred as of January 1, 2003. The unaudited historical results for the period from December 29, 2002 through December 27, 2003, includes goodwill and asset impairment charges of \$13.2 million related to NEBS PremiumWear apparel business.

The following illustrates the compilation of NEBS pro forma results for the period from December 29, 2002 through December 27, 2003 (dollars in thousands):

	Historical
	(unaudited)
NEBS	Acquired Businesses