



First Data, Chase Agree To Integrate Chase Merchant Services, Paymentech

Chase Paymentech Solutions, LLC Delivers Greater Processing Capabilities Through Expanded Direct Sales, Branch Network; Chase Continues STAR® Network Relationship

NEW YORK/DENVER – Oct. 5, 2005 – JPMorgan Chase & Co. (NYSE: JPM) and First Data Corp. (NYSE: FDC) announced today that they have completed the agreement to integrate the companies' jointly owned Chase Merchant Services and Paymentech merchant businesses, to be operated under the name of Chase Paymentech Solutions, LLC. The joint venture will be owned in the aggregate - 51 percent by Chase and 49 percent by First Data. Oversight will be provided through a board on which the owners will be equally represented.

Chase Paymentech Solutions will be directed by a combined executive team led by Michael P. Duffy, Paymentech's current president and chief executive officer. Duffy brings two decades of payments industry experience to this role.

Chase Paymentech Solutions will provide merchants with the leading products and processing capabilities of Paymentech, Chase Merchant Services and First Data, combined with extensive employee industry expertise. Chase Paymentech Solutions brings together the recognized leadership of Chase Merchant Services in national, travel and entertainment merchant processing with the established expertise of Paymentech in Internet, catalogue, and recurring billing merchant processing.

As part of the realignment, Chase Paymentech Solutions has entered into a five year processing relationship with First Data Merchant Services. Chase Paymentech Solutions will process approximately 13.1 billion transactions annually with more than \$500 billion in annual bankcard volume in both the United States and Canada.

"Both companies are market leaders and their integration creates an excellent opportunity to provide merchants with the best array of products and services in the industry," said Bill Campbell, Chairman, Chase Card Services.

"Today's agreement to integrate the merchant businesses builds upon a 25-year relationship between Chase and First Data, a relationship that has advanced the payment industry and delivered innovation and choice to merchants and consumers," said Charlie Fote, chairman and chief executive officer, First Data Corporation. "Building on the extraordinary strength of both ventures, Chase Paymentech Solutions will bring the most innovative products and high quality service to our clients," said Duffy.

Also announced today, Chase has agreed to continue to be a member of First Data's STAR® Network (STAR®) for a component of its debit business. STAR is an industry leader in delivering PIN-secured debit access through 1.7 million ATM and point-of-sale locations coast-to-coast.

About Chase Paymentech Solutions

Chase Paymentech Solutions, LLC, headquartered in Dallas, Texas, will be the nation's largest financial transaction processor for businesses accepting payments via traditional point of sale hospitality, Internet, catalog and recurring billing. The privately held company is an end-to-end processor for merchants of all sizes and industries and is a result of the 2005 integration of the former Paymentech and Chase Merchant Services. The integrated companies will process approximately 13.1 billion transactions annually with more than \$500 billion in annual bankcard volume in both the United States and Canada.

About First Data

First Data Corp. (NYSE: FDC) is a leading provider of electronic commerce and payment solutions for businesses and consumers worldwide. Serving 4.1 million merchant locations, 1,700 card issuers and millions of consumers, First Data powers the global economy by making it easy, fast and secure for people and businesses around the world to buy goods and services using virtually any form of payment. The company's portfolio of services and solutions includes credit, debit, private-label, smart and stored-value card issuing and merchant transaction processing services; money transfer services; money orders; fraud protection and authentication solutions; check guarantee and verification services through TeleCheck; as well as Internet commerce and mobile solutions. Western Union and its subsidiary, Orlandi Valuta, together make up one of the world's largest money transfer networks with approximately 238,000 Agent locations in more than 200 countries and territories. The company's STAR Network offers PIN-secured debit acceptance at 1.7 million ATM and retail locations. For more information, visit www.firstdata.com.

About JPMorgan Chase

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$1.2 trillion and operations in more than 50 countries. The firm is a leader in investment banking, financial services for consumers and businesses, financial transaction processing, asset and wealth management, and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. has its corporate headquarters in New York and its U.S.

consumer and commercial banking headquarters in Chicago. Under the JPMorgan, Chase and Bank One brands, the firm serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients. Information about the firm is available at www.jpmorganchase.com.

NEAR FINAL PENDING LEGAL/EXECUTIVE FINAL REVIEW

General Q&A - External (and internal)

[Use only by appropriate investor relations, media relations, client relations and business management leadership and supplemental to HR Q&A. DO NOT DISTRIBUTE OUTSIDE COMPANY. This section is also included with press release for legal and executive review.]

Q:What is happening? How is Chase Paymentech Solutions structured?

A:First Data and Chase have announced the integration of Chase Merchant Services and Paymentech to create a new merchant services business. The joint venture will be owned 51% by Chase and 49% by First Data.

The Chase Paymentech Solutions sales and operations functions will be directed by an integrated executive team led by Mike Duffy, President and CEO of Paymentech. Oversight of the joint venture will be provided through a management committee on which the owners will be equally represented. Processing services for Chase Paymentech Solutions will be provided by Paymentech's proprietary and First Data Merchant systems.

Upon completion of the transaction, the realigned business will provide merchants with market-leading products, advanced technology, and extensive employee expertise. The business has expertise in non-face-to-face markets, travel and hospitality, and petroleum, in addition to a broad base in terms of national, regional and smaller merchants.

Q:When is the transaction expected to close?

A:It has closed. It was a simultaneous signing and closing.

Q:When is this happening?

A: The process of integrating Chase Merchant Services and Paymentech, including the name change, re-branding process, and integrating of the sales and operational staff, is expected to be completed by mid-year 2006.

Q:Following the close of the transaction, will there be any restructuring charges associated with this transaction?

A:None that are material.

Q:Do you see any Hart-Scott-Rodino issues?

A:No filing is required for this integration.

Q:Why are the two businesses being integrated?

Does this have to do with the Bank One acquisition by Chase?

A:[NOTE: THIS IS NOT A MERGER. IT IS AN INTEGRATION. PLEASE USE INTEGRATION AND REALIGNMENT TO DESCRIBE.]

The integration of Chase Merchant Services and Paymentech realigns the operations of two very successful businesses, each with market-leading products, advanced technology and extensive employee expertise. Leveraging the products, technologies and expertise of Chase Paymentech Solutions will realize efficiencies, and stimulate innovation and development. This integration is also important to realizing the benefits of the JPMorgan and Bank One merger.

This integration of operations will deliver more value to our clients and the marketplace. Upon completion of the transaction, the Chase Paymentech Solutions business model will provide merchants with market-leading products, advanced technology and extensive employee expertise.

Q:Why is the integration of these two businesses compelling?

A:Chase Paymentech Solutions will provide merchants with market-leading products, advanced technology and extensive employee expertise. The integration supports a more robust marketing, sales and revenue generation effort (for example, selling PIN-secured debit to new and broader segments of merchant market, delivering merchant driven new payment methods, etc.). Chase Paymentech Solutions has established product and service leadership in such key merchant segments as non-face-to-face, recurring payments, Internet, travel and hospitality and petroleum/convenience store.

Chase Paymentech Solutions will also drive efficiency and scale, which can be utilized to more effectively position it for future growth. Efficiency and scale in operational areas can also provide benefits such as increased risk and fraud management in merchant processing.

Q:What potential does the integration have to accelerate revenue growth?

A:Chase Paymentech Solutions will provide merchants with market-leading products, advanced technology and extensive employee expertise. The integration supports a more robust marketing, sales and revenue generation effort (for example, selling PIN-secured debit to new and broader segments of merchant market, delivering merchant driven new payment methods, etc.).

Q:Why was Mike Duffy chosen to lead the new company?

A:Mike has 20 years of experience in payment processing. During his leadership, he broadened Paymentech's product and service offerings and established unprecedented financial stability. The management recognized his expertise and ability to lead an integrated team and a larger business, and his passion for customer service performance excellence.

Q:How will Chase Paymentech Solutions be operated (or business model)?

A:Chase Paymentech Solutions hopes to deliver a new business model that leverages and integrates the unique value propositions of Paymentech's proprietary technology and specialized processing services and support from First Data. The integrated leadership, under Mike Duffy's direction, brings renewed entrepreneurship to serving clients. Chase Paymentech Solutions will continue to utilize both its own proprietary and First Data's processing platforms.

Q:What platform technology will be used to process for merchants?

A:Clients and their best interests will drive the business. The management team of Chase Paymentech Solutions has the technological solutions and resources from Paymentech, Chase Merchant Services and First Data Merchant Services at its disposal to provide the best possible suite of products and support to each merchant client.

Q:How much do you anticipate in cost savings as a result of efficiencies gained?

A:This integration is first and foremost about growing the business and serving clients. We are not disclosing a target. We have formed an integration team with representatives from Chase, First Data and Chase Paymentech Solutions to review all areas and recommend savings initiatives. As with any integration, we hope to realize savings in administrative and other expense areas, as well as synergies in product development and processing.

Q:Why is this integration in the best interest of First Data shareholders?

A:Partnering with financial institutions remains a successful and important part of First Data's strategy. Our ability to participate in revenue growth through various relationships and channels, while meeting unique needs of our partners, is key to that success. We believe integrating these businesses will create a more efficient cost and infrastructure base and fuel new revenue opportunities.

Q:Why did First Data and Chase not just sever its relationship?

A:See above. Simple, we believe this creates incremental value for clients and shareholders. The endurance and power of the business structure brings the individual strengths together in a powerful way.

Q:Will integration impact employees? Will positions be eliminated?

A:Chase Paymentech Solutions' management team will begin assessing staffing resources from within the two companies, and no major organizational changes have been determined at this time. As Chase Paymentech Solutions moves forward, Chase Paymentech Solutions is committed to sharing information with employees as it becomes available.

Some positions may be eliminated. Appropriate synergies will be created through the consolidation of administrative, executive and other redundancies. Chase Paymentech Solutions will communicate what it knows with employees when it is known, base decisions on careful analysis and always treat employees with respect and dignity.

Q:Will positions within First Data Merchant Services that support the businesses be eliminated?

A:It is too early to tell. Some positions could be impacted. The impacts might be shifting resources to other parts of First Data, or it might be some elimination of job functions. Keep in mind we have a five year processing agreement with Chase Paymentech Solutions and will continue to provide many support services.

Q:Where will the new company be located?

A:Company headquarters in Dallas, Texas. Job functions will also be located at other sites throughout the country. Chase Paymentech Solutions will communicate final location decisions as they are made.

Q:How big will Chase Paymentech Solutions be? (Compared to the competition)

A:Paymentech and Chase Merchant Services were among the largest merchant processors in the United States. Chase Paymentech Solutions will become more competitive. In 2004, the companies processed approximately 13.1 billion transactions annually with more than \$500 billion in annual bankcard volume in both the United States and Canada.

Q:How many customers does Chase Paymentech Solutions LLC have?

A:Chase Paymentech Solutions' customer base includes more than 936,000 merchant locations across the United States and Canada (440,000 for Chase Merchant Services and 496,000 for Paymentech).

Q:How many employees are there in Paymentech and Chase Merchant Services currently?

A:Paymentech has approximately 1,700 employees. Chase Merchant Services has approximately 325 dedicated employees, supported by hundreds of other First Data Merchant Services employees.

Q:How does this impact merchants that process through Chase Merchant Services or Paymentech today?

A:Our merchant customers will be positively impacted and we are committed to making this a seamless integration. The integrated business will offer our customers more market-leading products, advanced technology and extensive

employee expertise. It will continue with "business as usual" for our current customers.

Q:If you are reducing costs, will those savings be passed on to your clients?

A:Chase Paymentech Solutions intends to be a more efficient, flexible competitor in an always competitive and changing market.

Q:What will the new organization look like?

A:Chase Paymentech Solutions, under Mike Duffy's leadership, draws from two of the industry's most knowledgeable and experienced teams with a dedication to customer service. Any questions on new organization should be directed to Chase Paymentech Solutions LLC.

Q:What is the history of Chase Merchant Services and Paymentech?

A:Chase Merchant Services was a joint venture between Chase Merchant Ventures, Inc., a subsidiary of Chase, and First Data Merchant Services Corp., a subsidiary of First Data Corp. (NYSE: FDC). Chase Merchant Services was 50 percent owned by Chase and 50 percent by First Data Merchant Services.

Paymentech was a joint venture of Chase (with approximately 52 percent ownership) and First Data Corp., (with approximately 48 percent ownership). Prior to the Chase-Bank One merger, Bank One Corp. was the majority owner of Paymentech.

Q:Why did it take so long to reach an agreement?

A:Chase and First Data were dedicated to a thorough process that ensured the strongest future for the business and was in the best long-term interest of shareholders, clients and employees.

About Paymentech

Paymentech, L.P. is one of the largest payment processors for businesses accepting payments via traditional point of sale, Internet, catalog and recurring billing. The privately held company, founded in 1985, is an end-to-end processor for merchants of all sizes and industries. Paymentech's 1,700 employees office in multiple locations, including the Dallas headquarters; New York; Salem, NH; Tampa, FL; and Tempe, AZ. In 2004, Paymentech and its Canadian affiliate, based in Toronto, processed 8.5 billion transactions and \$200 billion in card volume.

About Chase Merchant Services

Chase Merchant Services, L.L.C. is the nation's largest merchant acquirer and provider of BillPay and Internet-based solutions to merchants and billers. Chase Merchant Services processes over 4.6 billion transactions a year totaling over \$335 billion in annual credit and debit card volume via card-not-present transactions, over the internet and at the point of sale for more than 240,000 clients worldwide. Chase Merchant Services is a joint venture between Chase Merchant Ventures, Inc., a subsidiary of JPMorgan Chase Bank, N.A. the leading credit card issuer in the United States, and First Data Merchant Services, Corp., a subsidiary of First Data Corp.(NYSE: FDC), a leading provider of electronic commerce and payment solutions for businesses and consumers worldwide. JPMorgan Chase Bank is a subsidiary of JPMorgan Chase & Co. (NYSE: JPMC), a premier global financial services firm with assets in excess of \$1.1 trillion and operates in over 50 countries.

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