

DELUXE CORP
Form DEF 14A
March 12, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant X

Filed by a Party other than the Registrant O

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Deluxe Corporation
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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 - (3) Filing Party:
 - (4) Date Filed:

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Deluxe Corporation
3680 Victoria Street N.
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St. Paul, MN 55164-0235
www.deluxe.com

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 29, 2015**

To the Shareholders of Deluxe Corporation:

It is our pleasure to invite you to the Deluxe Corporation 2015 annual meeting of shareholders. The annual meeting will be held at Deluxe's headquarters, located at 3680 Victoria Street North, Shoreview, Minnesota, on Wednesday, April 29, 2015, at 2:00 p.m. Central Time, for the following purposes:

1. To elect ten directors to hold office until the 2016 annual meeting of shareholders.
2. To cast an advisory (non-binding) vote on the compensation of our Named Executive Officers (a "Say-on-Pay" vote).
3. To consider and act upon a proposal to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015.
4. To take action on any other business that may properly come before the meeting and any adjournment thereof.

Shareholders of record at the close of business on March 3, 2015, are entitled to vote at the meeting and at any adjournment thereof. In this Proxy Statement, we may also refer to Deluxe Corporation as "Deluxe," "the Company," "we," "our," or "us."

Once again, we are furnishing proxy materials to our shareholders over the Internet. This process expedites the delivery of proxy materials, reduces paper waste and saves the Company expense. In addition, these materials remain easily accessible, and shareholders receive clear instructions for voting and requesting paper copies of the materials if they so desire.

We are mailing the Notice of Internet Availability of Proxy Materials (Internet Notice) to shareholders of record beginning on or about March 13, 2015. The Internet Notice contains instructions on how to access our Proxy Statement and Annual Report, and how to vote online. In addition, the Internet Notice contains instructions on how to (i) request a paper copy of the Proxy Statement and Annual Report, if you received only an Internet Notice this year, or (ii) elect to receive your Proxy Statement and Annual Report only over the Internet, if you received them by mail this year.

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It is important that your shares be represented at the annual meeting. Whether or not you plan to attend the annual meeting in person, please vote as soon as possible to ensure the presence of a quorum and save Deluxe further solicitation expense. You may vote your shares by telephone or the Internet, or if you received a paper proxy card, you may sign, date and mail the proxy card in the envelope provided. Instructions regarding the methods of voting are contained in the Internet Notice and in the Proxy Statement. Voting by telephone, the Internet or mail will not limit your right to vote in person or to attend the annual meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Anthony C. Scarfone
Corporate Secretary

March 10, 2015

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DELUXE CORPORATION

3680 Victoria Street North, Shoreview, Minnesota 55126-2966

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TO BE HELD APRIL 29, 2015**

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INFORMATION CONCERNING SOLICITATION AND VOTING

What is the purpose of the annual meeting?

At our annual meeting, the Board of Directors asks shareholders to vote on the matters disclosed in the Notice of Annual Meeting of Shareholders that preceded this Proxy Statement. The three proposals scheduled to be voted on at the meeting are to:

- Elect as directors the ten nominees named in this Proxy Statement;
- Cast an advisory (non-binding) vote on the compensation of our Named Executive Officers (Say-on-Pay); and
- Ratify the appointment of PricewaterhouseCoopers LLP as Deluxe s independent registered public accounting firm for the fiscal year ending December 31, 2015.

We will also consider any other business that may be properly presented at the meeting (although we are not expecting any other matters to be presented), and management will report on Deluxe s performance during the last fiscal year and respond to questions from shareholders.

How does the Board recommend that I vote?

The Board of Directors recommends a vote:

- FOR the election of all of the nominees for director;
- FOR the compensation of the Company s Named Executive Officers as disclosed in this Proxy Statement; and
- FOR the ratification of the appointment of PricewaterhouseCoopers LLP as Deluxe s independent registered public accounting firm for the fiscal year ending December 31, 2015.

Who is entitled to vote at the meeting?

The Board has set March 3, 2015, as the record date for the meeting. If you were a shareholder of record at the close of business on March 3, 2015, you are entitled to vote at the meeting. You have one vote for each share of common stock you held on the record date.

As of the record date, 49,917,161 shares of Deluxe common stock were outstanding. Deluxe does not have any other class of capital stock outstanding.

How many shares must be present to hold the meeting?

A quorum is necessary to hold the meeting and conduct business. The presence of shareholders who can direct the vote of at least a majority of the outstanding shares of common stock as of the record date is considered a quorum. A shareholder is counted present at the meeting if the shareholder (1) is present and votes in person at the meeting, or (2) has properly submitted a proxy or voted by telephone or the Internet.

What is the difference between a shareholder of record and a street name holder?

If your shares are registered directly in your name, you are considered the shareholder of record with respect to those shares.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are still considered the beneficial owner of the shares, but your shares are held in street name.

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How do I vote my shares?

We are mailing the Notice of Internet Availability of Proxy Materials to shareholders of record on or about March 13, 2015. If your shares are held in street name, your broker or other agent is responsible for sending you an Internet Notice. You will not receive a printed copy of these proxy materials unless you request to receive these materials in hard copy by following the instructions provided in the Internet Notice. Instead, the Internet Notice will instruct you how to access and review all of the important information contained in these proxy materials. The Internet Notice also instructs you about how you may vote by the Internet. If you received an Internet Notice by mail and would like to receive a printed copy of these proxy materials, you should follow the instructions for requesting such materials included in the Internet Notice.

Voting by the Internet You can simplify your voting by voting your shares using the Internet as instructed in the Internet Notice. The Internet procedures are designed to verify your identity, to allow you to vote your shares and confirm that your instructions have been properly recorded. Internet voting facilities for shareholders of record are available 24 hours a day and will close at 11:59 p.m. (CT) on April 28, 2015. You may access this Proxy Statement and related materials by going to <http://www.investoreconnect.com> and entering the control number as shown on your Internet Notice. You will then be directed to select a link to www.proxyvote.com where you will be able to vote on the proposals presented here.

Voting by Mail Shareholders who receive a paper proxy card may elect to vote by mail (instead of by the Internet or telephone) and should complete, sign and date their proxy card and mail it in the pre-addressed envelope that accompanies the paper proxy card. Proxy cards submitted by mail must be received by the time of the annual meeting in order for your shares to be voted. Shareholders who hold shares beneficially in street name may vote by mail by requesting a paper proxy card according to the instructions contained in the Internet Notice received from your broker or other agent, and then completing, signing and dating the voting instructions card provided by the broker or other agent and mailing it in the pre-addressed envelope provided.

Voting by Telephone Shareholders also may elect to vote using the telephone by calling 800-690-6903 (toll-free). The telephone voting procedures have been set up for your convenience. The procedures have been designed to verify your identity, to allow you to give voting instructions and to confirm that those instructions have been recorded properly.

What does it mean if I receive more than one Notice of Internet Availability of Proxy Materials?

It means you hold shares registered in more than one account. To ensure that all of your shares are voted, if you vote by telephone or the Internet, vote once for each Internet Notice you receive. If you wish to consolidate your accounts, please contact our stock transfer agent, Wells Fargo Bank, N.A., at P.O. Box 64854, St. Paul, Minnesota 55164 or by telephone at 800-468-9716 (toll-free).

You also may receive a voting instructions card which looks very similar to a proxy card. Voting instructions are prepared by brokers, banks or other nominees for shareholders who hold shares in street name.

Can I vote my shares in person at the meeting?

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If you are a shareholder of record, you may vote your shares at the meeting by completing a ballot at the meeting. However, even if you currently plan to attend the meeting, we recommend that you submit your proxy ahead of time so that your vote will be counted if, for whatever reason, you later decide not to attend the meeting, or are otherwise unable to attend.

If you hold your shares in street name, you may vote your shares in person at the meeting only if you provide a signed proxy from your broker, bank or other nominee giving you the right to vote such shares at the meeting.

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What vote is required to elect directors?

In accordance with Minnesota law, directors are elected by a plurality of votes cast. This means that the ten director nominees receiving the highest number of votes will be elected, provided that a quorum is present at the meeting. Our Corporate Governance Guidelines (discussed in the Corporate Governance Principles section below) set forth our procedures if a director nominee is elected in an uncontested election, but receives more WITHHOLD votes than FOR votes. (See How are Votes Counted? below.) Under the terms of these Guidelines, in an uncontested election, any director nominee who receives a greater number of WITHHOLD votes than FOR votes is required to tender his or her resignation following the certification of the shareholder vote. Our Corporate Governance Committee is then required to make recommendations to the Board with respect to any such letter of resignation. The Board is required to take action with respect to this recommendation and to disclose its decision-making process. Full details of this policy are set forth under Item 1: Election of Directors.

What vote is required on proposals other than the election of directors?

With respect to Items 2 (Say-on-Pay) and 3 (ratification of independent accounting firm), the affirmative vote of a majority of the shares present and entitled to vote with respect to that item is required for the approval of the item (provided that the total number of shares voted in favor of the proposal constitutes more than 25 percent of the outstanding shares). Item 2 (Say-on-Pay) is a nonbinding advisory vote intended to solicit the input of our shareholders on this matter.

How are votes counted?

For Item 1, shareholders may either vote FOR or WITHHOLD authority to vote for the nominees for the Board of Directors. For Items 2 and 3, shareholders may vote FOR, AGAINST or ABSTAIN.

If you vote WITHHOLD or ABSTAIN, your shares still will be counted as present at the meeting for the purposes of determining a quorum.

If you WITHHOLD authority to vote for one or more of the directors, this has the same effect as a vote against the director or directors. If you ABSTAIN from voting on a proposal, your abstention has the same effect as a vote against the proposal.

What if I do not specify how I want my shares voted?

If your shares are held in street name and you do not provide voting instructions to your broker, bank or nominee, your shares will be counted as present at the meeting for purposes of determining a quorum but, in accordance with applicable law and the rules of the New York Stock Exchange, may not be voted on Item 1: Election of Directors or Item 2: Advisory Vote on Compensation of Named Executive Officers. Shares for which you do not provide voting instructions may, however, be voted on Item 3: Ratification of Appointment of Independent Registered

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Public Accounting Firm, at the discretion of your broker, bank or nominee.

If you vote your shares directly (as opposed to voting through a broker or other intermediary) and do not specify on your proxy card (or when giving your proxy by telephone or the Internet) how you want to vote your shares, we will vote them:

- FOR the election of all of the nominees for director;
- FOR the compensation of the Company's Named Executive Officers; and
- FOR the ratification of the appointment of PricewaterhouseCoopers LLP as Deluxe's independent registered public accounting firm for the fiscal year ending December 31, 2015.

What is the effect of not casting my vote?

If your shares are held in street name, it is critical that you cast your vote if you want it to count in the election of directors (Item 1 of this Proxy Statement) and the advisory vote related to the compensation of the Company's Named Executive Officers (Item 2 of this Proxy Statement). If you hold your shares in street name and you do not instruct your broker, bank or other nominee how to vote on these matters, no votes will be cast on your behalf. Your broker, bank or other nominee will, however, continue to have discretion to vote any uninstructed shares on the ratification of the appointment of the Company's independent registered public accounting firm (Item 3 of this Proxy Statement).

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Can I change my vote?

Yes. If you are a shareholder of record, you can change your vote and revoke your proxy at any time before it is voted at the meeting in any of the following ways:

- by sending a written notice of revocation to Deluxe's Corporate Secretary;
- by submitting another properly signed proxy card at a later date to Deluxe's Corporate Secretary;
- by submitting another proxy by telephone or the Internet at a later date; or
- by voting in person at the meeting.

If you hold your shares in street name, you should follow the voting instructions provided to you by your broker, bank or other nominee.

Who pays the cost of proxy preparation and solicitation?

Deluxe pays for the cost of proxy preparation and solicitation, including the charges and expenses of brokerage firms or other nominees for forwarding proxy materials to beneficial owners. We have retained Georgeson Inc., a proxy solicitation firm, to assist in the solicitation of proxies for a fee of approximately \$8,000, plus associated costs and expenses.

We are soliciting proxies primarily by use of the Internet. In addition, proxies may be solicited by mail, telephone or facsimile, or personally by directors, officers and regular employees of Deluxe. These individuals receive no additional compensation for these services.

STOCK OWNERSHIP AND REPORTING

Director and Executive Officer Stock Ownership and Sale Guidelines

The Board has established stock ownership guidelines for directors and executive officers. These guidelines set ownership targets for each director and executive officer, with the expectation that the target be achieved within five years of the date the individual becomes subject to the target. The guidelines restrict a director's or executive officer's ability to sell shares received upon the exercise of options or vesting of other stock-based awards until they have achieved their ownership targets. The ownership target for non-employee directors is shares of the Company's common stock having a value of at least five times the current amount of the annual Board retainer. Executive officers have targets based on a multiple of their annual base salary. The ownership target for the Chief Executive Officer (CEO) is five times his annual base salary, the target for each of the Company's Senior Vice Presidents is two and one-half times his or her annual base salary (this requirement was increased effective 2014; the previous requirement was two times annual salary), and the target for the Company's Vice Presidents who are members of the Company's Executive Leadership Team (a group consisting of the executive officers named in the Summary Compensation Table that appears later in this Proxy Statement plus four other executive officers of the Company) is one-and-one-half times his or her annual base salary.

Security Ownership of Certain Beneficial Owners and Management

The following table shows, as of March 3, 2015 (unless otherwise noted), the number of shares of common stock beneficially owned by (1) each person or entity known by Deluxe to beneficially own more than five percent of Deluxe's outstanding common stock, (2) each executive officer named in the Summary Compensation Table that appears in the EXECUTIVE COMPENSATION section of this Proxy Statement (each, a Named Executive Officer or NEO), (3) each director and nominee for director, and (4) all of the current directors, nominees and executive officers of Deluxe as a group. Except as otherwise indicated in the footnotes below, the shareholders listed in the table have sole voting and investment powers with respect to the common stock owned by them.

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Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc.(1) 40 East 52nd Street New York, NY 10022	5,832,584	