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Our Sales and Distribution Channels

Our global sales capabilities are highly diverse and are comprised of five types of distribution channels, including:

- **Equity Alliances** – We currently have equity alliances with eight large banks around the world in which we have a controlling or material equity ownership stake, including 3 of the top 6 acquiring banks in the United States. These alliances, listed in the table below, are stand-alone entities, but leverage the trusted brands, customer relationships, and distribution capabilities of our partners to sell our solutions.

<u>Region</u>	<u>Joint Venture</u>	<u>Partner</u>	<u>Countries Served</u>	<u>First Data Ownership</u>
North America	Bank of America Merchant Services	Bank of America	United States	51%
	Wells Fargo Merchant Services	Wells Fargo	United States	40%
	PNC Merchant Services	PNC	United States	40%
EMEA	Cardnet	Lloyds Bank	United Kingdom	49.9%
	AIB Merchant Services	Allied Irish Banks	Ireland	50.1%
	European Merchant Services	ABN AMRO	Netherlands, Belgium	51%
	BNL POSitivity	BNP Paribas	Italy	49%
APAC	ICICI Merchant Services	ICICI Bank	India	81%

- **Revenue Sharing Alliances** – We have entered into over 80 partnership alliances with large and mid-sized banks, such as Citibank and SunTrust Banks in the United States, as well as partnerships outside of the United States, such as Scotiabank in Mexico, and with several non-bank entities, such as SAM's Club, Restaurant Depot, and FedEx in the United States, which resell our solutions in exchange for a share of the revenues generated by these sales. Similar to our equity alliances, our revenue sharing alliances leverage the trusted brands, customer relationships, and distribution capabilities of our partners.
- **Referral Partnerships** – We partner with over 400 banks and 1,200 non-bank entities that refer us to their clients in exchange for a commission. These partners leverage their individual market positions, domain expertise, and client relationships to identify new sales opportunities on our behalf.
- **Direct Sales** – We employ over 1,300 full-time relationship managers and business consultants in the United States who service leads from revenue sharing alliances, referral partnerships, and other sources. Our sales force utilizes our customized consultative sales program, *The First Data Way*, to engage with our clients and partners as trusted technology advisors, collaborate with them to assess their specific needs, and develop an integrated, commerce-enabling solution that works best for their situation and goals. We believe this program will enable our sales force to approach our clients in a differentiated way and work with them to create enterprise-wide strategies and solutions that empower them to grow their businesses, rather than just offering discrete services at the lowest marketable price point.

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- **Indirect Sales** – We partner with over 1,100 third parties who actively re-sell our solutions. These parties include independent sales agents, ISOs, PSPs, ISVs, VARs and GSPs who often have specialized sales capabilities to reach into local communities, small businesses, eCommerce channels, or specific industry verticals.

Our alliances and referral partnerships enable us to provide our solutions through multiple financial institutions, leveraging their respective branch networks and brand loyalty to reach more businesses and increase client retention. These partnerships provide us with high-quality leads that our bank partners generate through their treasury services relationships or customer visits to their branches. These leads are provided, in most cases, exclusively to First Data in several ways, depending on our partnership arrangements.

For example, when a business customer visits the branch of one of our bank partners to open a new account, a branch representative will assess the customer's needs to operate their business and either refer the customer directly to a First Data business consultant or offer a range of First Data solutions on behalf of the bank, including (1) point-of-sale technology, (2) card acceptance services, (3) business loyalty programs, and (4) other commerce-enabling solutions.

Together with our partners, we may contribute management, sales, marketing, and other administrative services to each alliance that we participate in depending on its needs. We also use various advertising methods to market our solutions in both our direct and indirect sales channels, including branch advertising, websites, industry conferences and trade shows, and social media.