
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended September 30, 2004

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ to _____

Commission file number 0-14948

FISERV, INC.

(Exact name of Registrant as specified in its charter)

WISCONSIN
(State or other jurisdiction of
incorporation or organization)

255 FISERV DRIVE, BROOKFIELD, WI
(Address of principal executive office)

39-1506125
(I. R. S. Employer
Identification No.)

53045
(Zip Code)

(262) 879-5000
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by checkmark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 18, 2004, there were 195,589,962 shares of common stock, \$.01 par value, of the Registrant outstanding.

FISERV, INC. AND SUBSIDIARIES

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ITEM I. FINANCIAL STATEMENTSFISERV, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Revenues:				
Processing and services	\$ 866,320	\$ 701,956	\$ 2,562,223	\$ 1,950,106
Customer reimbursements	91,774	84,005	279,371	246,239
Total revenues	958,094	785,961	2,841,594	2,196,345
Cost of revenues:				
Salaries, commissions and payroll related costs	339,844	325,222	1,016,851	926,352
Customer reimbursement expenses	91,774	84,005	279,371	246,239
Data processing costs and equipment rentals	52,822	55,537	164,948	159,532
Prescription costs	114,920	21,001	319,305	32,335
Other operating expenses	152,606	120,232	442,941	317,884
Depreciation and amortization	45,411	43,669	140,321	121,051
Total cost of revenues	797,377	649,666	2,363,737	1,803,393
Operating income	160,717	136,295	477,857	392,952
Interest expense - net	(4,395)	(4,472)	(13,613)	(10,923)
Income before income taxes	156,322	131,823	464,244	382,029
Income tax provision	63,965	51,411	184,055	148,991
Net income	\$ 92,357	\$ 80,412	\$ 280,189	\$ 233,038
Net income per share:				
Basic	\$ 0.47	\$ 0.42	\$ 1.44	\$ 1.21
Diluted	\$ 0.47	\$ 0.41	\$ 1.42	\$ 1.19
Shares used in computing net income per share:				
Basic	195,334	193,626	194,980	193,019
Diluted	197,472	196,528	197,305	195,695

See notes to condensed consolidated financial statements.

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FISERV, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)
(Unaudited)

	September 30, 2004	December 31, 2003
Assets		
Cash and cash equivalents	\$ 450,062	\$ 202,768
Accounts receivable - net	432,525	417,521
Securities processing receivables	2,481,753	1,940,414
Prepaid expenses and other assets	116,176	120,168
Investments	2,079,955	1,904,161
Property and equipment - net	206,450	206,076
Intangible assets - net	529,608	557,822
Goodwill	1,952,974	1,865,245
Total	\$ 8,249,503	\$ 7,214,175
Liabilities and Shareholders' Equity		
Accounts payable and accrued expenses	\$ 552,555	\$ 482,949
Securities processing payables	2,252,858	1,786,763
Short-term borrowings	228,800	139,000
Accrued income taxes	42,681	23,313
Deferred revenues	199,643	208,996
Customer funds held and retirement account deposits	1,830,166	1,582,698
Deferred income taxes	135,579	91,532
Long-term debt	490,545	699,116
Total liabilities	5,732,827	5,014,367
Shareholders' equity:		
Common stock issued and outstanding, 195,571,000 and 194,260,000 shares, respectively	1,956	1,943
Additional paid-in capital	671,145	637,623
Accumulated other comprehensive income	20,489	17,345
Accumulated earnings	1,823,086	1,542,897
Total shareholders' equity	2,516,676	2,199,808
Total	\$ 8,249,503	\$ 7,214,175

See notes to condensed consolidated financial statements.

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FISERV, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2004	2003
Cash flows from operating activities:		
Net income	\$ 280,189	\$ 233,038
Adjustments to reconcile net income to net cash provided by operating activities:		
Deferred income taxes	45,291	36,025
Depreciation and amortization	140,321	121,051
Changes in assets and liabilities, net of effects from acquisitions of businesses:		
Accounts receivable	(13,943)	18,211
Prepaid expenses and other assets	3,181	7,547
Accounts payable and accrued expenses	30,682	12,372
Deferred revenues	(8,359)	(15,782)
Accrued income taxes	28,146	26,667
Securities processing receivables and payables - net	(75,244)	(35,574)
Net cash provided by operating activities	<u>430,264</u>	<u>403,555</u>
Cash flows from investing activities:		
Capital expenditures, including capitalization of software costs for external customers	(109,631)	(118,787)
Payment for acquisitions of businesses, net of cash acquired	(51,096)	(582,696)
Investments	(176,282)	61,478
Net cash used in investing activities	<u>(337,009)</u>	<u>(640,005)</u>
Cash flows from financing activities:		
Proceeds from short-term borrowings - net	89,800	34,700
Repayment of long-term debt	(209,759)	(74,218)
Proceeds from issuance of long-term debt	—	248,268
Issuance of common stock	26,530	16,284
Customer funds held and retirement account deposits	247,468	(14,121)
Net cash provided by financing activities	<u>154,039</u>	<u>210,913</u>
Change in cash and cash equivalents	247,294	(25,537)
Beginning balance	202,768	227,239
Ending balance	<u>\$ 450,062</u>	<u>\$ 201,702</u>

See notes to condensed consolidated financial statements.

FISERV, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Principles of Consolidation

The condensed consolidated financial statements for the three and nine month periods ended September 30, 2004 and 2003 are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of such condensed consolidated financial statements have been included. Such adjustments consisted only of normal recurring items. Interim results are not necessarily indicative of results for a full year. The financial statements and notes are presented as permitted by Form 10-Q, and do not contain certain information included in the annual consolidated financial statements and notes of Fiserv, Inc. and subsidiaries (the "Company"). See the Company's results by business segment in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations." Certain amounts reported in prior periods have been reclassified to conform to the 2004 presentation.

2. Stock-Based Compensation

The Company has accounted for its stock-based compensation plans in accordance with the intrinsic value provisions of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." Accordingly, the Company did not record any compensation expense in the condensed consolidated financial statements for its stock-based compensation plans. The following table illustrates the effect on net income and net income per share had compensation expense been recognized consistent with the fair value provisions of Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation". The fair value of each option issued prior to January 1, 2004 was estimated on the date of grant using a Black-Scholes option-pricing model. For options issued on or after January 1, 2004, the fair value of each option was estimated on the date of grant using a binomial option-pricing model. Stock options are typically granted in the first quarter of the year, generally vest 20% on the date of grant and 20% each year thereafter and expire 10 years from the date of the award. As a result, the expense that would be recognized under SFAS No. 123 during the first quarter is higher than the expense for the remaining quarters.

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
<i>(In thousands, except per share data)</i>				
Net income:				
As reported	\$ 92,357	\$ 80,412	\$ 280,189	\$ 233,038
Less: stock compensation expense — net of tax	(4,000)	(3,600)	(13,700)	(13,400)
Pro forma	\$ 88,357	\$ 76,812	\$ 266,489	\$ 219,638
Reported net income per share:				
Basic	\$ 0.47	\$ 0.42	\$ 1.44	\$ 1.21
Diluted	0.47	0.41	1.42	1.19
Pro forma net income per share:				
Basic	\$ 0.45	\$ 0.40	\$ 1.37	\$ 1.14
Diluted	0.45	0.39	1.35	1.12

3. Shares Used in Computing Net Income Per Share

The computation of the number of shares used in calculating basic and diluted net income per share is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
<i>(In thousands)</i>				
Weighted-average common shares outstanding used for calculation of basic net income per share	195,334	193,626	194,980	193,019
Employee stock options	2,138	2,902	2,325	2,676
Total shares used for calculation of diluted net income per share	197,472	196,528	197,305	195,695
Weighted-average shares under stock options excluded from the calculation of common equivalent shares as the impact was anti-dilutive	4,300	1,400	4,100	3,400

4. Fiserv Securities, Inc. Regulatory Matters

During 2004, the Company's broker-dealer subsidiary, Fiserv Securities, Inc. ("FSI"), has been responding to inquiries from the Securities and Exchange Commission (the "SEC") as part of its industry-wide review of mutual fund trading practices. FSI has engaged in settlement discussions with the SEC as a result of an SEC investigation of FSI with respect to these matters. As a result of these discussions, FSI recorded an additional \$10 million charge in the third quarter of 2004, or \$0.05 per share, to bring its total reserve recorded with respect to these matters to \$16 million. A portion of any settlement amount with the SEC may be non-deductible for tax purposes. While no settlement with the SEC has been reached and no assurance can be given that these matters will be settled consistent with the amounts reserved, FSI does not anticipate any further material liability arising out of the SEC investigation.

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5. Comprehensive Income

Comprehensive income is comprised of net income, unrealized gains and losses on available-for-sale investment securities, foreign currency translation and fair market value adjustments on cash flow hedges and is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
<i>(In thousands)</i>				
Net income	\$ 92,357	\$ 80,412	\$ 280,189	\$ 233,038
Components of comprehensive income - net	343	(7,397)	3,144	(14,047)
Comprehensive Income	\$ 92,700	\$ 73,015	\$ 283,333	\$ 218,991

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

The Company is an independent provider of information management systems and services to the financial industry including transaction processing, business process outsourcing and software and systems solutions. The Company's operations have been classified into four business segments: Financial outsourcing, systems and services ("Financial"); Health plan management services ("Health"); Investment support and securities processing services ("Investment Services"); and All other and corporate ("Other").

The following tables and discussion exclude the revenues and expenses associated with customer reimbursements because management believes that it is not appropriate to include customer reimbursements in analyzing the current performance of the Company as these balances offset in revenues and expenses with no impact on operating income and these amounts are not an indicator of current or future business trends. Customer reimbursements, which primarily consist of pass-through expenses such as postage and data communication costs, were \$91.8 million and \$84.0 million for the three month periods ended September 30, 2004 and 2003 and \$279.4 million and \$246.2 million for the nine month periods ended September 30, 2004 and 2003, respectively.

	Three months ended September 30,			Nine months ended September 30,		
	(In millions)		Percentage Increase (Decrease)	(In millions)		Percentage Increase (Decrease)
	2004	2003		2004	2003	
Processing and services revenues by segment:						
Financial	\$559.2	\$510.1	10%	\$1,655.3	\$1,439.4	15%
Health	224.1	111.9	100%	648.9	274.2	137%
Investment Services	54.5	55.7	(2)%	171.0	165.9	3%
Other	28.6	24.2	18%	87.0	70.6	23%
Total	\$866.3	\$702.0	23%	\$2,562.2	\$1,950.1	31%
Cost of revenues:						
Salaries and payroll related costs	\$339.8	\$325.2	4%	\$1,016.9	\$ 926.4	10%
Data processing costs	52.8	55.5	(5)%	164.9	159.5	3%
Prescription costs	114.9	21.0	447%	319.3	32.3	887%
Other operating expenses	152.6	120.2	27%	442.9	317.9	39%
Depreciation and amortization	45.4	43.7	4%	140.3	121.1	16%
Total	\$705.6	\$565.7	25%	\$2,084.4	\$1,557.2	34%
Operating income by segment:						
Financial	\$148.8	\$119.4	25%	\$ 423.1	\$ 344.2	23%
Health	20.4	13.1	55%	58.4	36.1	62%
Investment Services	(7.5)	5.9	(227)%	(4.0)	19.7	(120)%
Other (1)	(0.9)	(2.1)		0.4	(7.1)	
Total	\$160.7	\$136.3	18%	\$ 477.9	\$ 393.0	22%

(1) Percents are not meaningful, amounts include corporate expenses.

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	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
Cost of revenues as a percentage of total processing and services revenues:				
Salaries and payroll related costs	39%	46%	40%	48%
Data processing costs	6%	8%	6%	8%
Prescription costs	13%	3%	12%	2%
Other operating expenses	18%	17%	17%	16%
Depreciation and amortization	5%	6%	5%	6%
Total	81%	81%	81%	80%
Operating margin by segment:				
Financial (1)	27%	23%	26%	24%
Health (1)	9%	12%	9%	13%
Investment Services (1)	(14)%	11%	(2)%	12%
Total	19%	19%	19%	20%

(1) Operating margin by segment is calculated as a percentage of each segment's processing and services revenues.

Internal Revenue Growth

Internal revenue growth percentages are measured as the increase or decrease in total processing and services revenues for the current period less "acquired revenue from acquisitions" divided by total processing and services revenues from the prior year period plus "acquired revenue from acquisitions." "Acquired revenue from acquisitions" represents pre-acquisition normalized revenue of acquired companies for the comparable prior year period. Internal revenue growth percentage is a non-GAAP financial measure that the Company believes is useful to investors because it provides an alternative to measure revenue growth excluding the impact of acquired revenues. The following tables set forth the calculation of internal revenue growth for the three and nine month periods ended September 30, 2004:

	Three months ended September 30,				
	<i>(In millions)</i>				
	2004	2003	Increase (Decrease)	2004 Internal Growth %	2003 Internal Growth %
Total Company					
Processing and services revenues	\$866.3	\$702.0	\$ 164.4		
Acquired revenue from acquisitions		106.2	(106.2)		
Adjusted revenues	\$866.3	\$808.2	\$ 58.2	7%	7%
By Segment:					
Financial					
Processing and services revenues	\$559.2	\$510.1	\$ 49.1		
Acquired revenue from acquisitions		43.5	(43.5)		
Adjusted revenues	\$559.2	\$553.7	\$ 5.5	1%	4%
Health					
Processing and services revenues	\$224.1	\$111.9	\$ 112.2		
Acquired revenue from acquisitions		62.7	(62.7)		
Adjusted revenues	\$224.1	\$174.5	\$ 49.5	28%	37%
Investment Services					
Processing and services revenues	\$ 54.5	\$ 55.7	\$ (1.2)	(2)%	(12)%
Other					
Processing and services revenues	\$ 28.6	\$ 24.2	\$ 4.3	18%	7%

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	Nine months ended September 30,				
	<i>(In millions)</i>			2004 Internal Growth %	2003 Internal Growth %
	2004	2003	Increase (Decrease)		
Total Company					
Processing and services revenues	\$2,562.2	\$1,950.1	\$ 612.1		
Acquired revenue from acquisitions		394.6	(394.6)		
Adjusted revenues	\$2,562.2	\$2,344.7	\$ 217.5	9%	4%
By Segment:					
Financial					
Processing and services revenues	\$1,655.3	\$1,439.4	\$ 215.9		
Acquired revenue from acquisitions		202.4	(202.4)		
Adjusted revenues	\$1,655.3	\$1,641.8	\$ 13.5	1%	3%
Health					
Processing and services revenues	\$ 648.9	\$ 274.2	\$ 374.7		
Acquired revenue from acquisitions		192.2	(192.2)		
Adjusted revenues	\$ 648.9	\$ 466.4	\$ 182.5	39%	28%
Investment Services					
Processing and services revenues	\$ 171.0	\$ 165.9	\$ 5.1	3%	(10)%
Other					
Processing and services revenues	\$ 87.0	\$ 70.6	\$ 16.4	23%	2%

Processing and Services Revenues

Total processing and services revenues increased \$164.4 million, or 23%, in the third quarter of 2004 compared to 2003 and \$612.1 million, or 31%, in the first nine months of 2004 compared to 2003. Internal revenue growth for the third quarter of 2004 was 7% and for the first nine months of 2004 was 9% with the remaining growth resulting from acquisitions. Overall internal revenue growth was primarily derived from sales to new clients, cross-sales to existing clients and increases in transaction volumes from existing clients. The 2004 internal revenue growth rate was primarily driven by strong internal revenue growth in the Health segment's pharmacy services businesses.

The Financial segment had positive revenue growth of \$49.1 million, or 10%, in the third quarter of 2004 compared to 2003 and \$215.9 million, or 15%, in the first nine months of 2004 compared to 2003 primarily resulting from acquisitions. This segment's 2004 third quarter internal revenue growth rate of 1% was negatively impacted by approximately 3% primarily due to the combination of the loss of an item processing customer announced in 2003, and a decline in mortgage loan origination volumes and overall weakness in the automobile leasing market in 2004 compared to 2003 impacting processing volumes in the Company's Lending division. Also, this segment's internal revenue growth rate for the third quarter was positively impacted by 2% due to revenue associated with customer contractual termination and assignment fees that increased by \$10.7 million over the prior year comparable period.

The Health segment had positive revenue growth of \$112.2 million, or 100%, in the third quarter of 2004 compared to 2003 and \$374.7 million, or 137%, in the first nine months of 2004 compared to 2003. \$287.0 million of the total revenue growth for the first nine months of 2004 compared to 2003 for this segment was due to the inclusion in revenues and cost of revenues of the prescription ingredient cost related to the pharmacy services businesses. The Company entered the pharmacy services business in the second quarter of 2003 and the average operating margins of these businesses are in the mid single digits. The internal revenue growth rate in this segment for the third quarter of 2004 was 28% and for the first nine months of 2004 was 39% and the remaining growth resulted from acquisitions.

Revenues in the Investment Services segment decreased by \$1.2 million, or 2%, in the third quarter of 2004 compared to 2003 and increased \$5.1 million, or 3%, in the first nine months of 2004 compared to 2003.

Revenues in the Other segment increased by \$4.3 million, or 18%, in the third quarter of 2004 compared to 2003 and \$16.4 million, or 23%, in the first nine months of 2004 compared to 2003 primarily due to strong internal revenue growth in the Company's printing and plastic card service operation through a combination of new sales and cross sales to existing customers.

Cost of Revenues

Total cost of revenues increased \$139.9 million, or 25%, in the third quarter of 2004 compared to 2003 and \$527.2 million, or 34%, in the first nine months of 2004 compared to 2003. As a percent of processing and services revenues, cost of revenues were 81% for the first nine months of 2004 compared to 80% in 2003. The components of cost of revenues in 2004 compared to the prior year have primarily been affected by changes in the mix of the Company's businesses due to acquisitions completed in 2003. These 2003 acquisitions resulted in a significant increase in 2004 prescription costs and an increase in other operating expenses rather than salaries or data processing expenses due to the nature of their businesses. Other operating expenses were also higher in 2004 due to the \$16 million reserve recorded in the Investment Services segment as discussed in Note 4 to the financial statements.

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Operating Income

Operating income increased \$24.4 million, or 18%, in the third quarter of 2004 compared to 2003 and \$84.9 million, or 22%, in the first nine months of 2004 compared to 2003. The operating income increases were primarily derived from the Financial and Health segments.

The increase in operating income in the Financial segment was \$29.4 million, or 25%, in the third quarter of 2004 compared to 2003 and \$78.8 million, or 23%, in the first nine months of 2004 compared to 2003. In 2004, the Financial segment's year to date operating results continued to benefit from strong revenue growth of 15% and an operating margin of 26%. In the third quarter of 2004, the operating margin for this segment increased from 23% in 2003 to 27% in 2004 primarily due to continued operating efficiencies and the impact of the customer contractual termination and assignment fees discussed above.

The increase in the Health segment's operating income was \$7.2 million, or 55%, in the third quarter of 2004 compared to 2003 and \$22.3 million, or 62%, in the first nine months of 2004 compared to 2003 due to strong revenue growth, partially offset by a decrease in operating margins. Operating margins decreased from 13% in the first nine months of 2003 to 9% in 2004 due primarily to lower operating margins associated with the pharmacy services businesses discussed previously.

The Investment Services segment's operating income decreased by \$13.4 million in the third quarter of 2004 compared to 2003 and decreased \$23.7 million in the first nine months of 2004 compared to 2003. During 2004, the Company's broker-dealer subsidiary, Fiserv Securities, Inc. ("FSI"), has been responding to inquiries from the Securities and Exchange Commission (the "SEC") as part of its industry-wide review of mutual fund trading practices. FSI has engaged in settlement discussions with the SEC as a result of an SEC investigation of FSI with respect to these matters. As a result of these discussions, FSI recorded an additional \$10 million charge in the third quarter of 2004, or \$0.05 per share, to bring its total reserve recorded with respect to these matters to \$16 million. A portion of any settlement amount with the SEC may be non-deductible for tax purposes. While no settlement with the SEC has been reached and no assurance can be given that these matters will be settled consistent with the amounts reserved, FSI does not anticipate any further material liability arising out of the SEC investigation.

Income Tax Provision

The effective year to date income tax rate was 39.6% in 2004 and 39.0% in 2003. The slightly higher effective income tax rate in 2004 was due to the non-deductibility of a portion of the \$16 million reserve described in Note 4 to the financial statements.

Net Income Per Share - Diluted

Net income per share-diluted for the third quarter was \$0.47 in 2004 compared to \$0.41 in 2003. Net income per share-diluted of \$0.47 for the third quarter of 2004 was positively impacted by an increase in customer contractual termination and assignment fees of \$0.03 per share compared to the prior year period and negatively impacted by \$0.05 per share for the charge described in Note 4 to the financial statements. Net income per share-diluted for the first nine months of 2004 was \$1.42 compared to \$1.19 in the comparable 2003 period.

Liquidity and Capital Resources

Free cash flow is measured as net cash provided by operating activities before changes in securities processing receivables and payables less capital expenditures including capitalization of software costs for external customers, as reported in the Company's condensed consolidated statements of cash flows. As the changes in securities processing receivables and payables are generally offset by changes in short-term borrowings and investments, which are included in financing and investing activities, management believes it is more meaningful to analyze changes in operating cash flows before the changes in securities processing receivables and payables. Free cash flow is a non-GAAP financial measure that the Company believes is useful to investors because it provides another measure of available cash flow after the Company has satisfied the capital requirements of its operations. The following table summarizes free cash flow for the Company:

	Nine months ended September 30,	
	2004	2003
<i>(In millions)</i>		
Net cash provided by operating activities	\$ 430.3	\$ 403.6
Changes in securities processing receivables and payables-net	75.2	35.6
Net cash provided by operating activities before changes in securities processing receivables and payables-net	505.5	439.1
Capital expenditures, including capitalization of software costs for external customers	(109.6)	(118.8)
Free cash flow	\$ 395.9	\$ 320.3

Free cash flow increased by \$75.5 million, or 24%, in the first nine months of 2004 compared to 2003 primarily due to an increase in net income of \$47.2 million, an increase of \$19.3 million in depreciation and amortization, and a decrease in capital expenditures of \$9.2 million. The Company's working capital changes, excluding securities processing receivables and payables, had a positive impact on free cash flow of \$39.7 million in 2004 compared to \$49.0 million in 2003. In 2004, the Company primarily used its free cash flow to repay long-term debt of \$209.8 million. In addition, gross software development costs for external customers capitalized in the first nine months of 2004 were \$35.6 million, offset by associated amortization of \$43.6 million.

Effective March 31, 2004, the Company entered into a new credit facility to replace its existing credit facility that was due in May of 2004. The new credit facility totaling \$700.0 million is comprised of a \$465.3 million five-year revolving credit facility due in 2009 and a \$234.7 million 364-day revolving credit facility which is renewable annually through 2009. Long-term debt includes \$187.4 million borrowed under the credit facility at September 30, 2004. The Company must, among other requirements, maintain a minimum net worth of \$1.8 billion as of September 30, 2004 and limit its total debt to no more than three and one-half times the Company's earnings before interest, taxes, depreciation and amortization. At September 30, 2004, the Company had \$490.5 million of long-term debt, while shareholders' equity was \$2.5 billion. The Company was in compliance with all covenants as of September 30, 2004.

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The Company believes that its cash flow from operations together with other available sources of funds will be adequate to meet its operating requirements, debt repayments, contingent payments in connection with business acquisitions and ordinary capital spending needs. In the event the Company makes significant future acquisitions, however, it may raise funds through additional borrowings or the issuance of securities.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

Certain matters discussed herein are “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because the context of the statement will include words such as “believes,” “anticipates,” or “expects,” or words of similar import. Similarly, statements that describe future plans, objectives or goals of the Company are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially from those currently anticipated. Factors that could affect results include, among others, economic, competitive, governmental, regulatory and technological factors affecting the Company’s operations, markets, services and related products, prices and other factors discussed in the Company’s prior filings with the Securities and Exchange Commission. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The Company assumes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company’s quantitative and qualitative disclosures about market risk are incorporated by reference to Item 7A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2003 and have not materially changed since that report was filed.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures.

In accordance with Rule 13a-15(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), the Company’s management evaluated, with the participation of the Company’s management, including the Company’s President and Chief Executive Officer and Senior Executive Vice President and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures (as defined in Rule 13a-14(c) and 15d-14(c) under the Exchange Act) as of September 30, 2004. Based upon their evaluation of these disclosure controls and procedures, the President and Chief Executive Officer and the Senior Executive Vice President and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of September 30, 2004 to ensure that material information relating to the Company, including its consolidated subsidiaries, was made known to them by others within those entities, particularly during the period in which this quarterly report on Form 10-Q was being prepared.

Changes in internal controls over financial reporting.

There was no change in the Company’s internal control over financial reporting that occurred during the quarter ended September 30, 2004 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 4 to the Condensed Consolidated Financial Statements for a discussion of inquiries and settlement discussions with the Securities and Exchange Commission regarding Fiserv Securities, Inc.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In 1999, the Company's Board of Directors authorized the repurchase of up to 4,875,000 shares of the Company's common stock. The Company did not repurchase any shares under the authorization during the quarter ended September 30, 2004. As of September 30, 2004, the Company had authority to repurchase 1,676,000 shares under that program. The repurchase authorization does not expire.

ITEM 6. EXHIBITS

The exhibits listed in the accompanying exhibit index are filed as part of this Quarterly Report on Form 10-Q.

SIGNATURES

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

Fiserv, Inc.
(Registrant)

Date: October 21, 2004

By: /s/ Kenneth R. Jensen

KENNETH R. JENSEN
Senior Executive Vice President, Chief
Financial Officer, Treasurer and Assistant
Secretary

EXHIBIT INDEX

Exhibit Number	Exhibit Description
10.1	Form of Restricted Stock Agreement under the Fiserv, Inc. Stock Option and Restricted Stock Plan (the "Plan")
10.2	Form of Employee Non-Qualified Stock Option Agreement for Employee Directors under the Plan
10.3	Form of Non-Qualified Stock Option Agreement for Outside Directors under the Plan
10.4	Form of Employee Non-Qualified Stock Option Agreement for Senior Management under the Plan
31.1	Certification of the Chief Executive Officer, dated October 21, 2004
31.2	Certification of the Chief Financial Officer, dated October 21, 2004
32.1	Written Statement of the Chief Executive Officer, dated October 21, 2004
32.2	Written Statement of the Chief Financial Officer, dated October 21, 2004

FISERV, INC.RESTRICTED STOCK AGREEMENTDirector: [FIRST NAME][LAST NAME]Date: [DATE]Number of Shares of Common Stock Subject To This Agreement: [SHARES]

Pursuant to the Fiserv, Inc. Stock Option and Restricted Stock Plan (the "Plan"), the Board of Directors of Fiserv, Inc. (the "Company") has awarded you on this date the number of shares of the Company's Common Stock, \$.01 par value (the "Common Stock"), set forth above (the "Restricted Stock"). You have agreed to accept the award based on the terms and conditions are set forth below:

1. **Date of Award.** The Restricted Stock is awarded to you on the date above (the "Award Date").
2. **Restrictions.** Except as otherwise provided herein, Restricted Stock may not be sold, transferred, pledged, assigned, encumbered or otherwise alienated or hypothecated until the date of release (the "Release Date") determined as follows: the Release Date with respect to 20% of the shares of Restricted Stock shall be the first anniversary of the Award Date; the Release Date with respect to an additional 20% of the shares of Restricted Stock shall be the second anniversary of the Award Date; the Release Date with respect to an additional 20% of the shares of Restricted Stock shall be the third anniversary of the Award Date; the Release Date with respect to an additional 20% of the shares of Restricted Stock shall be the fourth anniversary of the Award Date; and the Release Date with respect to the remaining 20% of the shares of Restricted Stock shall be the fifth anniversary of the Grant Date. The Board of Directors, in its sole discretion, may at any time accelerate the Release Date with respect to the Restricted Stock or a portion of the Restricted Stock.

On the applicable Release Date as determined in this Section, that portion of Restricted Stock shall become free of the restrictions above and, subject to Section 4, be freely transferable by you.
3. **Escrow.** Certificates for shares of Restricted Stock shall be issued as soon as practicable in your name, but shall be held in escrow by the Company, as escrow agent. Unless theretofore forfeited as provided herein, Restricted Stock shall cease to be held in escrow and certificates for such Stock shall be delivered to you on the applicable Release Date.

4. **Noncompetition.**

- (a) Notwithstanding any other provision in this Agreement, you agree that while a member of the Board of Directors of the Company (“Member”), and for a period of 12 months thereafter, you will not, directly or indirectly, on your behalf or on behalf of any other individual, association or entity, as agent or otherwise:
- (i) contact any of the clients of any Fiserv Group Company for whom you directly performed any services or had any direct business contact for the purpose of soliciting business or inducing such client to acquire any product or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (ii) contact any of the clients or prospective clients of any Fiserv Group Company whose identity or other client specific information you discovered or gained access to as a result of your access to any Fiserv Group Company’s confidential information for the purpose of soliciting or inducing any of such clients or prospective clients to acquire any project or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (iii) use any Fiserv Group Company’s confidential information to solicit, influence or encourage any clients or potential clients of any Fiserv Group Company to divert or direct their business to you or any other person, association or entity by or with whom you are employed, associated, engaged as agent or otherwise affiliated; or
 - (iv) encourage, induce or entice any employee of any Fiserv Group Company with access to or possession of confidential information of any Fiserv Group Company to leave any Fiserv Group Company’s employment.

If you violate any of the above covenants, in addition to other remedies of law, your right to this Restricted Stock shall terminate immediately.

- (b) The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict any portion of the Restricted Stock at any time if you are not in compliance with all applicable provisions of this Agreement and the Plan, or if you engage in any of the activities listed in Section 4(a). In addition, failure to comply with the provisions of Section 4(a) prior to and during the

12 months after any release of Restricted Stock pursuant to all or any part of this Restricted Stock Agreement shall cause such release to be rescinded. The Company will notify you in writing of any such rescission within 24 months after such release. Within 10 days after receiving such notice from the Company, you will pay to the Company, as a result of the rescinded exercise, payment or delivery of Restricted Stock, an amount equal to the fair market value of the Restricted Stock on the applicable Release Date.

5. **Termination of Service.**

- (a) In the event that you are no longer a Member for any reason, Restricted Stock will be free of restrictions to the same extent that it was free of restrictions on the date you ceased to be a Member, and the remaining Restricted Stock for which a Release Date has not occurred under Section 2 will be released from restrictions under Section 2 as follows:

<u>Minimum Age When No Longer a Member</u>	<u>Reason No Longer A Member</u>	<u>Minimum Years of Service</u>	<u>Remaining Restricted Stock for which Restrictions Will be Released</u>
Not applicable 62	Death or Disability Any reason	6 6	100% 100%
All other combinations of minimum age, reason and minimum years of service.			0%

- (b) Notwithstanding the foregoing, in the event that your service as a Member is terminated for cause, all Restricted Stock for which a Release Date has not occurred under Section 2 prior to such termination shall be forfeited to the Company on the date on which such termination occurs.
- (c) Further, if a Change in Control of the Company occurs, the Board of Directors may, with respect to shares of Restricted Stock, (i) make provisions for the continuation of each award of Restricted Stock, (ii) reach an agreement with the acquiring or surviving entity that the acquiring or surviving entity will convert each share of Restricted Stock into shares, or fractions of a share, of stock of the acquiring or surviving entity (which shares may be subject to restrictions substantially similar to restrictions on the Restricted Stock) at least equal value (without deduction for any restrictions on such shares of Restricted Stock), determined as of the date of the transaction, or (iii) vest all awards of shares of Restricted Stock and terminate any restrictions thereon at least 30 days immediately prior to the date of the applicable transaction. The

Board of Directors must determine that any such modification in clause (i) or (ii) above does not have a substantial adverse economic impact on you, as determined at the time of the transaction.

6. **Certificate Legend.** Each certificate for shares of Restricted Stock may bear the following legend:

“THE SALE OR OTHER TRANSFER OF THE SHARES OF STOCK REPRESENTED BY THIS CERTIFICATE, WHETHER VOLUNTARY, INVOLUNTARY OR BY OPERATION OF LAW, IS SUBJECT TO CERTAIN RESTRICTIONS SET FORTH IN THE FISERV, INC. STOCK OPTION AND RESTRICTED STOCK PLAN AND A RESTRICTED STOCK AGREEMENT BETWEEN FISERV, INC. AND THE REGISTERED OWNER HEREOF. A COPY OF SUCH PLAN AND SUCH AGREEMENT MAY BE OBTAINED FROM THE SECRETARY OF FISERV, INC.”

When the restrictions imposed by Sections 2 and 4 hereof terminate, you shall be entitled to have the foregoing legend removed from the certificates representing such Restricted Stock.

7. **Voting Rights; Dividends and Other Distributions.**

- (a) While the Restricted Stock is subject to restrictions under Section 2 and prior to any forfeiture thereof, you may exercise full voting rights for the Restricted Stock registered in your name and held in escrow hereunder.
- (b) While the Restricted Stock is subject to the restrictions under Section 2 and prior to any forfeiture thereof, you shall be entitled to receive all dividends and other distributions paid with respect to the Restricted Stock. If any such dividends or distributions are paid in Stock, such shares shall be subject to the same terms, conditions and restrictions as the shares of Restricted Stock with respect to which they were paid, including the requirement that Restricted Stock be held in escrow pursuant to Section 3 hereof.
- (c) Subject to the provisions of this Agreement, you shall have, with respect to the Restricted Stock, all other rights of a holder of Common Stock.

8. **Securities Representations.** You acknowledge receipt of the Prospectus under the Registration Statement on Form S-8 (Registration No. 333-34310) filed by the Company with the Securities and Exchange Commission. You understand that if you are an officer, director, 10% shareholder or are otherwise an “affiliate” (within the meaning of Rule 405 under the Securities Act of 1933) of the Company, you may not sell or otherwise dispose of any shares acquired except pursuant to a Registration Statement meeting the requirements of the Securities Act of 1933 or an

exemption from the registration requirements of such Act. You represent and agree that you will comply with all applicable laws relating to the Plan and the award of Restricted Stock and the disposition of the Restricted Stock, including without limitation federal and state securities and “blue sky” laws.

9. **Tax Representations.** You represent and warrant that you understand the Federal, state and local income tax consequences of the award of the Restricted Stock to you, the lapse of the restrictions on the Restricted Stock and the subsequent sale or other disposition of any Restricted Stock. In addition, you understand and agree that you are solely responsible for the payment of any Federal, state or local income tax imposed upon or attributable to you in connection with such lapse, sale or disposition.
10. **General Provisions.**
- (a) Neither the Plan nor this Agreement shall confer upon you any right to continue to be a Member.
 - (b) This Agreement contains the entire agreement between the Company and you relating to the Restricted Stock and supersedes all prior agreements or understandings relating thereto.
 - (c) This Agreement may not be amended, changed or waived other than by written instrument signed by the parties hereto.
 - (d) If any one or more provisions of this Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
 - (e) This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to conflict of law provisions.
 - (f) The Company and you agree that they will both be subject to and bound by all of the terms and conditions of the Plan. The Plan Prospectus is accessible on the Company’s intranet website, Mainstreet (in the HR Policy Manual – Employee Benefits area), or a paper copy is available upon request. Any capitalized term not defined herein shall have the meaning ascribed to it in the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.
 - (g) The Restricted Stock is not transferable otherwise than by will or the laws of descent and distribution.

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- (h) This Agreement shall be binding upon and inure to the benefit of any successor or assign of the Company and to any heir, distributee, executor, administrator or legal representative entitled by law to your rights hereunder.
 - (i) You understand that, under the terms of the Plan and this Agreement, the Company may cancel or rescind this Restricted Stock in certain circumstances, including, without limitation, if you violate the provisions of Section 4(a) prior to, or within 12 months after, the release of any Restricted Stock.

Please acknowledge acceptance of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning it promptly to Corporate Finance.

FISERV, INC.

By: _____
Senior Executive Vice President

Accepted and Agreed to:

Signature of Director

Street Address

City State Zip Code

FISERV, INC.

EMPLOYEE NON-QUALIFIED STOCK OPTION AGREEMENT

Employee/Optionee: [NAME]

Date: [DATE]

Number of Shares of Common Stock Subject To This Agreement: [SHARES]

Pursuant to the Fiserv, Inc. Stock Option and Restricted Stock Plan (the "Plan"), the Compensation Committee of the Board of Directors (the "Committee") of Fiserv, Inc. (the "Company") has granted to you on this date an option (the "Option") to purchase the number of shares of the Company's Common Stock, \$.01 par value (the "Common Stock"), set forth above. Such number of shares (as such may be adjusted as described in Section 9(a) below) is herein referred to as the "Option Shares". The terms and conditions of the Option are set out below.

The Option is intended to be (and will be treated as) a "non-qualified stock option" for Federal income tax purposes. The Option will not be treated either by you or the Company as an "incentive stock option", as defined in Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

1. **Date of Grant.** This Option is granted to you on the date first above written (the "Date of Grant").
2. **Termination of Option.** Your right to exercise this Option (and to purchase the Option Shares) shall expire and terminate in all events on the earlier of (a) the close of business on the tenth anniversary of the Date of Grant, or (b) the date provided in Section 6 hereof.
3. **Option Price.** The purchase price to be paid upon the exercise of this Option will be \$[PRICE] per share, being at least equal to the fair market value of such shares on the date hereof.
4. **Provisions Relating to Exercise.**
 - (a) Commencing on [VEST DATE], you will become entitled to exercise this Option with respect to 20% of the Option Shares. Commencing on each of the four succeeding anniversaries of [VEST DATE], you will become entitled to exercise this Option with respect to an additional 20% of the Option Shares.
 - (b) Once you become entitled to exercise any part of this Option (and purchase Option Shares) as provided in Section 4(a) hereof, that right will continue until the date on which this Option expires and terminates pursuant to

Section 2 hereof. The right to purchase Option Shares under this Option is cumulative, so that if the full number of Option Shares purchasable in a period shall not be purchased, the balance may be purchased at any time or from time to time thereafter during the term of the Option.

- (c) The Committee, in its sole discretion, may at any time accelerate the time at which this Option first becomes exercisable by you with respect to any Option Shares.
- (d) Notwithstanding any other provision in this Option Agreement, you agree that during the term of your employment with the Company or any Subsidiary and while you are a Member of the Board of Directors of the Company ("Member"), and for a period of 12 months after the later of such employment or Membership, you will not, directly or indirectly, on your behalf or on behalf of any other individual, association or entity, as agent or otherwise:
 - (i) contact any of the clients of any Fiserv Group Company for whom you directly performed any services or had any direct business contact for the purpose of soliciting business or inducing such client to acquire any product or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (ii) contact any of the clients or prospective clients of any Fiserv Group Company whose identity or other client specific information you discovered or gained access to as a result of your access to any Fiserv Group Company's confidential information for the purpose of soliciting or inducing any of such clients or prospective clients to acquire any project or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (iii) use any Fiserv Group Company's confidential information to solicit, influence or encourage any clients or potential clients of any Fiserv Group Company to divert or direct their business to you or any other person, association or entity by or with whom you are employed, associated, engaged as agent or otherwise affiliated; or
 - (iv) encourage, induce or entice any employee of any Fiserv Group Company with access to or possession of confidential information of any Fiserv Group Company to leave any Fiserv Group Company's employment.

- (e) The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict any unexpired, unpaid or deferred part of the Option at any time if you are not in compliance with all applicable provisions of this Agreement and the Plan, or if you engage in any of the activities listed in Section 4(d). In addition, failure to comply with the provisions of Section 4(d) prior to and during the 12 months after any exercise, payment or delivery of Option Shares pursuant to all or any part of this Option shall cause such exercise, payment or delivery to be rescinded. The Company will notify you in writing of any such rescission within 24 months after such exercise, payment or delivery. Within 10 days after receiving such notice from the Company, you will pay to the Company, as a result of the rescinded exercise, payment or delivery of Option Shares, an amount equal to the difference between the fair market value of such Option Shares on the date of exercise and the amount you paid to obtain such Option Shares.
5. **Exercise of Option.** To exercise the Option, you must deliver a completed copy of the attached Option Exercise form to the Company at its then principal office (presently 255 Fiserv Drive, Brookfield, WI 53045), specifying the number of Option Shares being purchased as a result of such exercise, together with payment of the full option price for the Option Shares being purchased. Payment of the option price must be made in accordance with the Plan. In no event may a fraction of a share be exercised or acquired.

6. **Termination of Relationship.**

- (a) In the event that you cease to be a Member and you are no longer a full-time employee of either the Company or any Subsidiary of the Company for any reason, including that the Subsidiary ceases to be a Subsidiary, this Option may be exercised to the same extent that you were entitled to exercise this Option on the date you ceased to be a Member or a full-time employee, whichever is later, and had not previously done so, and the remaining Option Shares that are not vested under Section 4(a) may be exercised as follows:

Minimum Age When No Longer a Full-Time Employee or Member	Reason No Longer A Full-Time Employee or Member	Minimum Years of Service	Remaining Option Shares that are Exercisable
Not applicable	Death or Disability	6	20%
		7	40%
		8	60%
		9	80%
		10	100%
55	Other	25	100%
		6	20%
62	Other	7	40%
		8	60%
		9	80%
		10	100%
		0	100%
65	Any reason	0	100%
All other combinations of minimum age, reason and minimum years of service			0%

If you cease to be a Member and are no longer a full-time employee by reason of death, "disability" (within the meaning of Section 22(e)(3) of the code), retirement at age 55 or older with 25 years of services, retirement at age 62 or older with 10 years of service, or retirement at age 65 or older, you are (or in the event of your death or disability resulting in judicial appointment of a guardian ad litem, administrator or other legal representative, the executor or administrator of your estate, any person who shall have acquired the Option through bequest or inheritance or such guardian ad litem, administrator or other legal representative is) entitled to exercise this Option per the terms contained herein within one year after the date you ceased to be a Member or a full-time employee, whichever is later. Otherwise, you are (or such guardian ad litem, administrator or other legal representative is) entitled to exercise this Option per the terms contained herein within one month after you ceased to be a member or a full-time employee, whichever is later. If you die within such exercise periods, your executor or the administrator of your estate or beneficiary may exercise this Option within one year after your death.

For purposes of this Option, years of service shall be deemed to include both years of employment and years of service as a Member without giving effect to any duplication.

- (b) Notwithstanding any provision contained in this Section 6 to the contrary, in no event may this Option be exercised to any extent by anyone after the tenth anniversary of the Date of Grant.
- (c) Notwithstanding the foregoing, in the event that your employment or your service as a Member was terminated either for cause or without the consent of the Company, this Option shall terminate immediately.
- (d) If a Change of Control of the Company occurs and the Board of Directors does not, for any reason, act under the provisions of Subsection 7.3 of the Plan, this Option shall become fully vested and exercisable with respect to all Option Shares covered by this Option and, to the extent not previously exercised in whole or in part, all Option Shares shall, unless otherwise determined by the Committee in its sole discretion at or after grant but prior to any Change of Control, be cashed out on the basis of the Change of Control Price (as hereinafter defined) as of the date such Change of Control is determined to have occurred. Cash payment shall be effected to you within 60 days of the date such Change of Control is determined to have taken place. The "Change of Control Price" shall mean the highest price per share paid in any transaction reported on the NASDAQ, or paid or offered in any bona fide transaction related to a Change of Control, at any time during the 60-day period immediately preceding the occurrence of the Change of Control, in each case as determined by the Committee.
- (e) If a Change of Control of the Company has occurred and the Board of Directors has: (i) made provisions for the continuation of this Option, (ii) reached an agreement with the acquiring or surviving entity that the acquiring or surviving entity will assume the obligation of the Company under this Option or (iii) reached an agreement with the acquiring or surviving entity that the acquiring or surviving entity will convert each Option into an option of at least equal value, determined as of the date of the transaction, to purchase stock of the acquiring or surviving entity, and if you are terminated without cause or you terminate your employment for Good Reason (as hereinafter defined) within 12 months following the occurrence of the Change of Control, notwithstanding the provisions of Section 6(c) of this Option with respect to termination of employment without consent of the Company, this Option shall become

fully vested and exercisable with respect to all Option Shares covered by this Option as of the time immediately prior to such termination of employment and notwithstanding any other provision hereof (except Section 6(b)), this Option shall become exercisable by you for 30 days following such termination. For purposes of this Agreement, "Good Reason" shall mean your suffering any of the following events without your consent: (x) significant or material lessening of your responsibilities; (y) a reduction in your annual base salary or a material reduction in the level of incentive compensation for which you have been eligible during the two years immediately prior to the occurrence of the Change of Control and/or a material adverse change in the conditions governing receipt of such incentive compensation from those that prevailed prior to the occurrence of the Change of Control; or (z) the Company's requiring you to be based anywhere other than within 50 miles of your place of employment at the time of the occurrence of the Change of Control, except for reasonably required travel to an extent substantially consistent with your business travel obligations.

7. **Securities Representations.** You acknowledge receipt of the Prospectus under the Registration Statement on Form S-8 (Registration No. 333-04417) filed by the Company with the Securities and Exchange Commission. You understand that if you are an officer, director, 10% shareholder or are otherwise an "affiliate" (within the meaning of Rule 405 under the Securities Act of 1933) of the Company, you may not re-sell any shares acquired pursuant to the exercise of this Option except pursuant to a Registration Statement meeting the requirements of the Securities Act of 1933 or an exemption from the registration requirements of such Act. You represent and agree that you will comply with all applicable laws relating to the Plan and the grant and exercise of this Option and the disposition of the Option Shares, including without limitation federal and state securities and "blue sky" laws.

The Company may affix appropriate legends upon the certificates for the Option Shares and may issue such "stop transfer" instructions to its transfer agent in respect of such shares as it determines, in its discretion, to be necessary or appropriate to (a) prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act, or (b) implement the provisions of the Plan or any agreement between the Company and you with respect to such Option Shares.

8. **Tax Representations.** You represent and warrant that you understand the Federal, state and local income tax consequences of the granting of this Option to you, the exercise of this Option and purchase of Option Shares and the subsequent sale or other disposition of any Option Shares. In addition, you understand and agree that, when you exercise the Option and thereby realize gross income (if any) taxable as compensation in respect of such exercise, the Company will be required to withhold

Federal, state and local taxes on the full amount of the compensation income realized by you and may also be required to withhold other amounts as a result of such exercise. Accordingly, at or prior to the time that you exercise the Option, you hereby agree to provide the Company with cash funds equal to the total Federal, state and local taxes and other amounts required to be withheld by the Company or its Subsidiary in respect of any such compensation income or make other arrangements satisfactory to the Company regarding such payment. All matters with respect to the total amount to be withheld as a result of the exercise of this Option shall be determined by the Committee in its sole discretion.

9. **General Provisions.**

- (a) If the total outstanding shares of Common Stock of the Company shall be increased or decreased or changed into or exchanged for a different number or kind of shares of stock or other securities of the Company through reorganization, merger or consolidation, recapitalization, stock split, split-up, combination, exchange of shares, declaration of any dividends payable in Common Stock, or the like, then the number and kind of Option Shares (and option price per share) subject to the unexercised portion of this Option shall be appropriately adjusted by the Board of Directors of the Company, whose determination shall be effective and binding. Such adjustment may provide for the elimination of fractional shares which might otherwise be subject to the Option without payment therefor.
- (b) Neither the Plan nor this Option shall confer upon you any right to continue to be employed by the Company or any Subsidiary of the Company or limit in any respect any right of the Company or any Subsidiary of the Company to terminate your employment at any time, without liability.
- (c) This Agreement contains the entire agreement between the Company and you relating to the Option and supersedes all prior agreements or understandings relating thereto.
- (d) This Agreement may not be amended, changed or waived other than by written instrument signed by the parties hereto.
- (e) If any one or more provisions of this Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
- (f) This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to conflict of law provisions.

- (g) The Company and you agree that they will both be subject to and bound by all of the terms and conditions of the Plan. The Plan prospectus is accessible on the Company's intranet website, Mainstreet (in the HR Policy Manual – Employee Benefits area), or a paper copy is available upon request. Any capitalized term not defined herein shall have the meaning ascribed to it in the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.
- (h) This Option is not transferable otherwise than by will or the laws of descent and distribution and may be exercised, during your lifetime, only by you or your legal representatives.
- (i) This Agreement shall be binding upon and inure to the benefit of any successor or assign of the Company and to any heir, distributee, executor, administrator or legal representative entitled by law to your rights hereunder.
- (j) You shall not have the rights of a shareholder with respect to any shares of Common Stock to be acquired upon exercise of this Option until the stock certificate representing such shares is issued.
- (k) You understand that, under the terms of the Plan and this Agreement, the Company may cancel or rescind this Option in certain circumstances, including, without limitation, if you violate the provisions of Section 4(d) prior to, or within 12 months after, the exercise of any Option Shares.

Please acknowledge acceptance of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning it promptly to Kenneth R. Jensen.

FISERV, INC.

By: _____
Sr. Executive Vice President

Accepted and Agreed to:

Signature of Optionee/Employee

Street Address

City State Zip Code

FISERV, INC.**NON-QUALIFIED STOCK OPTION AGREEMENT**Employee/Optionee: **[NAME]**Date: **[DATE OF BOARD MEETING]**Number of Shares of Common Stock Subject To This Agreement: **[SHARES]**

Pursuant to the Fiserv, Inc. Stock Option and Restricted Stock Plan (the "Plan"), the Board of Directors of Fiserv, Inc. (the "Company") has granted to you on this date an option (the "Option") to purchase the number of shares of the Company's Common Stock, \$.01 par value (the "Common Stock"), set forth above. Such number of shares (as such may be adjusted as described in Section 9(a) below) is herein referred to as the "Option Shares". The terms and conditions of the Option are set out below.

The Option is intended to be (and will be treated as) a "non-qualified stock option" for Federal income tax purposes. The Option will not be treated either by you or the Company as an "incentive stock option", as defined in Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

1. **Date of Grant.** This Option is granted to you on the date first above written (the "Date of Grant").
2. **Termination of Option.** Your right to exercise this Option (and to purchase the Option Shares) shall expire and terminate in all events on the earlier of (a) the close of business on the tenth anniversary of the Date of Grant, or (b) the date provided in Section 6 hereof.
3. **Option Price.** The purchase price to be paid upon the exercise of this Option will be **[CLOSING PRICE]** per share, being at least equal to the fair market value of such shares on the date hereof.
4. **Provisions Relating to Exercise.**
 - (a) Except as provided in Section 6 hereof, you may not exercise this Option at any time prior to **[VEST DATE]**. Commencing on **[VEST DATE]**, you will become entitled to exercise this Option with respect to 20% of the Option Shares. Commencing on each of the four succeeding anniversaries of **[VEST DATE]**, you will become entitled to exercise this Option with respect to an additional 20% of the Option Shares.
 - (b) Once you become entitled to exercise any part of this Option (and purchase Option Shares) as provided in Section 4(a) hereof, that right will continue

until the date on which this Option expires and terminates pursuant to Section 2 hereof. The right to purchase Option Shares under this Option is cumulative, so that if the full number of Option Shares purchasable in a period shall not be purchased, the balance may be purchased at any time or from time to time thereafter during the term of the Option.

- (c) The Board of Directors, in its sole discretion, may at any time accelerate the time at which this Option first becomes exercisable by you with respect to any Option Shares.
- (d) Notwithstanding any other provision in this Option Agreement, you agree that while a Member of the Board of Directors of the Company (“Member”), and for a period of 12 months thereafter, you will not, directly or indirectly, on your behalf or on behalf of any other individual, association or entity, as agent or otherwise:
 - (i) contact any of the clients of any Fiserv Group Company for whom you directly performed any services or had any direct business contact for the purpose of soliciting business or inducing such client to acquire any product or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (ii) contact any of the clients or prospective clients of any Fiserv Group Company whose identity or other client specific information you discovered or gained access to as a result of your access to any Fiserv Group Company’s confidential information for the purpose of soliciting or inducing any of such clients or prospective clients to acquire any project or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (iii) use any Fiserv Group Company’s confidential information to solicit, influence or encourage any clients or potential clients of any Fiserv Group Company to divert or direct their business to you or any other person, association or entity by or with whom you are employed, associated, engaged as agent or otherwise affiliated; or
 - (iv) encourage, induce or entice any employee of any Fiserv Group Company with access to or possession of confidential information of any Fiserv Group Company to leave any Fiserv Group Company’s employment.

If you violate any of the above covenants, in addition to other remedies of law, your right to exercise this Option shall terminate immediately.

- (e) The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict any unexpired, unpaid or deferred part of the Option at any time if you are not in compliance with all applicable provisions of this Agreement and the Plan, or if you engage in any of the activities listed in Section 4(d). In addition, failure to comply with the provisions of Section 4(d) prior to and during the 12 months after any exercise, payment or delivery of Option Shares pursuant to all or any part of this Option shall cause such exercise, payment or delivery to be rescinded. The Company will notify you in writing of any such rescission within 24 months after such exercise, payment or delivery. Within 10 days after receiving such notice from the Company, you will pay to the Company, as a result of the rescinded exercise, payment or delivery of Option Shares, an amount equal to the difference between the fair market value of such Option Shares on the date of exercise and the amount you paid to obtain such Option Shares.
5. **Exercise of Option.** To exercise the Option, you must deliver a completed copy of the attached Option Exercise form to the Company at its then principal office (presently 255 Fiserv Drive, Brookfield, WI 53045), specifying the number of Option Shares being purchased as a result of such exercise, together with payment of the full option price for the Option Shares being purchased. Payment of the option price must be made in accordance with the provisions of the Plan. In no event may a fraction of a share be exercised or acquired.
6. **Termination of Membership.**
- (a) In the event that you are no longer a Member for any reason, this Option may be exercised to the same extent that you were entitled to exercise this Option on the date you ceased to be a Member and had not previously done so, and the remaining Option Shares that are not vested under Section 4(a) may be exercised as follows:

Minimum Age When No Longer a Member	Reason No Longer A Member	Minimum Years of Service	Remaining Option Shares that are Exercisable
Not applicable	Death or Disability	6	100%
62	Any reason	6	100%
All other combinations of minimum age, reason and minimum years of service.			0%

If you are no longer a Member by reason of death, “disability” (within the meaning of Section 22(e)(3) of the code) or retirement at age 62 or older with six years of service, you are (or in the event of your death or disability resulting in judicial appointment of a guardian ad litem, administrator or other legal representative, the executor or administrator of your estate, any person who shall have acquired the Option through bequest or inheritance or such guardian ad litem, administrator or other legal representative is) entitled to exercise this Option per the terms contained herein within one year after you are no longer a Member. Otherwise, you are (or such guardian ad litem, administrator or other legal representative is) entitled to exercise this Option per the terms contained herein within one month after you are no longer a Member. If you die within such exercise periods, your executor or the administrator of your estate or beneficiary may exercise this Option within one year after your death.

- (b) Notwithstanding any provision contained in this Section 6 to the contrary, in no event may this Option be exercised to any extent by anyone after the tenth anniversary of the Date of Grant.
- (c) Notwithstanding the foregoing, in the event that your service as a Member was terminated for cause, this Option shall terminate immediately.
- (d) If a Change of Control of the Company occurs, and the Board of Directors does not, for any reason, act under the provisions of Subsection 7.3 of the Plan, this Option shall become fully vested and exercisable with respect to all Option Shares covered by this Option and, to the extent not previously exercised in whole or in part, all Option Shares shall, unless otherwise determined by the Committee in its sole discretion at or after grant but prior to any Change of Control, be cashed out on the basis of the Change of Control Price (as hereinafter defined) as of the date such Change of Control is determined to have occurred. Cash payment shall be effected to you within 60 days of the date such Change of Control is determined to have taken place. The “Change of Control Price” shall mean the highest price per share paid in any transaction reported on the NASDAQ, or paid or offered in any bona fide transaction related to a Change of Control, at any time during the 60-day period immediately preceding the occurrence of the Change of Control, in each case as determined by the Committee.
- (e) If a Change of Control of the Company has occurred and the Board of Directors has: (i) made provisions for the continuation of this Option, (ii) reached an agreement with the acquiring or surviving entity that the acquiring or surviving entity will assume the obligation of the Company under this Option or (iii) reached an agreement with the acquiring or surviving entity that the acquiring or surviving entity will convert each

Option into an option of at least equal value, determined as of the date of the transaction, to purchase stock of the acquiring or surviving entity, this Option shall become fully vested and exercisable with respect to all Option Shares covered by this Option.

7. **Securities Representations.** You acknowledge receipt of the Prospectus under the Registration Statement on Form S-8 (Registration No. 333-34310) filed by the Company with the Securities and Exchange Commission. You understand that if you are an officer, director, 10% shareholder or are otherwise an “affiliate” (within the meaning of Rule 405 under the Securities Act of 1933) of the Company, you may not re-sell any shares acquired pursuant to the exercise of this Option except pursuant to a Registration Statement meeting the requirements of the Securities Act of 1933 or an exemption from the registration requirements of such Act. You represent and agree that you will comply with all applicable laws relating to the Plan and the grant and exercise of this Option and the disposition of the Option Shares, including without limitation federal and state securities and “blue sky” laws.

The Company may affix appropriate legends upon the certificates for the Option Shares and may issue such “stop transfer” instructions to its transfer agent in respect of such shares as it determines, in its discretion, to be necessary or appropriate to (a) prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act, or (b) implement the provisions of the Plan or any agreement between the Company and you with respect to such Option Shares.

8. **Tax Representations.** You represent and warrant that you understand the Federal, state and local income tax consequences of the granting of this Option to you, the exercise of this Option and purchase of Option Shares and the subsequent sale or other disposition of any Option Shares. In addition, you understand and agree that, you are solely responsible for the payment of any Federal, state or local income tax imposed upon or attributable to you in connection with such exercise, sale or disposition.

9. **General Provisions.**

- (a) If the total outstanding shares of Common Stock of the Company shall be increased or decreased or changed into or exchanged for a different number or kind of shares of stock or other securities of the Company through reorganization, merger or consolidation, recapitalization, stock split, split-up, combination, exchange of shares, declaration of any dividends payable in Common Stock, or the like, then the number and kind of Option Shares (and option price per share) subject to the unexercised portion of this Option shall be appropriately adjusted by the Board of Directors of the Company, whose determination shall be effective and binding. Such adjustment may provide for the elimination of fractional shares which might otherwise be subject to the Option without payment therefor.

-
- (b) Neither the Plan nor this Option shall confer upon you any right to continue to be a Member.
 - (c) This Agreement contains the entire agreement between the Company and you relating to the Option and supersedes all prior agreements or understandings relating thereto.
 - (d) This Agreement may not be amended, changed or waived other than by written instrument signed by the parties hereto.
 - (e) If any one or more provisions of this Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
 - (f) This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to conflict of law provisions.
 - (g) The Company and you agree that they will both be subject to and bound by all of the terms and conditions of the Plan. The Plan Prospectus is accessible on the Company's intranet website, Mainstreet (in the HR Policy Manual – Employee Benefits area), or a paper copy is available upon request. Any capitalized term not defined herein shall have the meaning ascribed to it in the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.
 - (h) This Option is not transferable otherwise than by will or the laws of descent and distribution and may be exercised, during your lifetime, only by you or your legal representatives.
 - (i) This Agreement shall be binding upon and inure to the benefit of any successor or assign of the Company and to any heir, distributee, executor, administrator or legal representative entitled by law to your rights hereunder.
 - (j) You shall not have the rights of a shareholder with respect to any shares of Common Stock to be acquired upon exercise of this Option until the stock certificate representing such shares is issued.
 - (k) You understand that, under the terms of the Plan and this Agreement, the Company may cancel or rescind this Option in certain circumstances, including, without limitation, if you violate the provisions of Section 4(d) prior to, or within 12 months after, the exercise of any Option Shares.

Please acknowledge acceptance of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning it promptly to Corporate Finance.

FISERV, INC.

By: _____
Director

Accepted and Agreed to:

Signature of Optionee/Director

Street Address

City State Zip Code

FISERV, INC.**EMPLOYEE NON-QUALIFIED STOCK OPTION AGREEMENT**Employee/Optionee: **[FIRST NAME][LAST NAME]**Date: **[DATE]**Number of Shares of Common Stock Subject To This Agreement: **[SHARES]**

Pursuant to the Fiserv, Inc. Stock Option and Restricted Stock Plan (the "Plan"), the Compensation Committee of the Board of Directors (the "Committee") of Fiserv, Inc. (the "Company") has granted to you on this date an option (the "Option") to purchase the number of shares of the Company's Common Stock, \$.01 par value (the "Common Stock"), set forth above. Such number of shares (as such may be adjusted as described in Section 9(a) below) is herein referred to as the "Option Shares". The terms and conditions of the Option are set out below.

The Option is intended to be (and will be treated as) a "non-qualified stock option" for Federal income tax purposes. The Option will not be treated either by you or the Company as an "incentive stock option", as defined in Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

1. **Date of Grant.** This Option is granted to you on the date first above written (the "Date of Grant").
2. **Termination of Option.** Your right to exercise this Option (and to purchase the Option Shares) shall expire and terminate in all events on the earlier of (a) the close of business on the tenth anniversary of the Date of Grant, or (b) the date provided in Section 6 hereof.
3. **Option Price.** The purchase price to be paid upon the exercise of this Option will be **[PRICE]** per share, being at least equal to the fair market value of such shares on the date hereof.
4. **Provisions Relating to Exercise.**
 - (a) Commencing on **[VESTING DATE]** you will become entitled to exercise this Option with respect to 20% of the Option Shares. Commencing on each of the four succeeding anniversaries of **[VESTING DATE]**, you will become entitled to exercise this Option with respect to an additional 20% of the Option Shares.
 - (b) Once you become entitled to exercise any part of this Option (and purchase Option Shares) as provided in Section 4(a) hereof, that right will continue until the date on which this Option expires and terminates pursuant to Section 2 hereof. The right to purchase Option Shares under this Option is cumulative, so that if the full number of Option Shares purchasable in a period shall not be purchased, the balance may be purchased at any time or from time to time thereafter during the term of the Option.

- (c) The Committee, in its sole discretion, may at any time accelerate the time at which this Option first becomes exercisable by you with respect to any Option Shares.
- (d) Notwithstanding any other provision in this Option Agreement, you agree that during the term of your employment with the Company or any Subsidiary, and for a period of 12 months thereafter, you will not, directly or indirectly, on your behalf or on behalf of any other individual, association or entity, as agent or otherwise:
 - (i) contact any of the clients of any Fiserv Group Company for whom you directly performed any services or had any direct business contact for the purpose of soliciting business or inducing such client to acquire any product or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (ii) contact any of the clients or prospective clients of any Fiserv Group Company whose identity or other client specific information you discovered or gained access to as a result of your access to any Fiserv Group Company's confidential information for the purpose of soliciting or inducing any of such clients or prospective clients to acquire any project or service that at any time during the term of this Agreement is provided or under development by any Fiserv Group Company from any entity other than a Fiserv Group Company;
 - (iii) use any Fiserv Group Company's confidential information to solicit, influence or encourage any clients or potential clients of any Fiserv Group Company to divert or direct their business to you or any other person, association or entity by or with whom you are employed, associated, engaged as agent or otherwise affiliated; or
 - (iv) encourage, induce or entice any employee of any Fiserv Group Company with access to or possession of confidential information of any Fiserv Group Company to leave any Fiserv Group Company's employment.
- (e) The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict any unexpired, unpaid or deferred part of the Option at any time if you are not in compliance with all applicable provisions of this Agreement and the Plan, or if you engage in any of the activities listed in Section 4(d). In addition, failure to comply with the provisions of Section 4(d) prior to and during the 12 months after any exercise, payment or delivery of Option Shares pursuant to all or any part of this Option shall cause such exercise, payment or delivery to be rescinded. The Company will notify you in writing of any such rescission within 24 months after such exercise, payment or delivery. Within 10 days after receiving such notice from the Company, you will pay to the Company, as a result of the rescinded exercise, payment or delivery of Option Shares, an

amount equal to the difference between the fair market value of such Option Shares on the date of exercise and the amount you paid to obtain such Option Shares.

5. **Exercise of Option.** To exercise the Option, you must deliver a completed copy of the attached Option Exercise form to the Company at its then principal office (presently 255 Fiserv Drive, Brookfield, WI 53045), specifying the number of Option Shares being purchased as a result of such exercise, together with payment of the full option price for the Option Shares being purchased. Payment of the option price must be made in accordance with the Plan. In no event may a fraction of a share be exercised or acquired.
6. **Termination of Employment**
 - (a) In the event that you are no longer a full-time employee of either the Company or any Subsidiary of the Company for any reason, including that the Subsidiary ceases to be a Subsidiary, this Option may be exercised to the same extent that you were entitled to exercise this Option on the date you ceased to be a full-time employee, and had not previously done so, and the remaining Option Shares that are not vested under Section 4(a) may be exercised as follows:

Minimum Age When No Longer a Full-Time Employee	Reason No Longer A Full-Time Employee	Minimum Years of Service	Remaining Option Shares that are Exercisable
Not applicable	Death or Disability	6	20%
		7	40%
		8	60%
		9	80%
		10	100%
55	Other	25	100%
62	Other	6	20%
		7	40%
		8	60%
		9	80%
		10	100%
65	Any reason	0	100%
All other combinations of minimum age, reason and minimum years of service			0%

If you are no longer a full-time employee by reasons of death, "disability" (within the meaning of Section 22(e)(3) of the code), retirement at age 55 or older with 25 years of service, retirement at age 62 or older with 10 years of service, or retirement at age 65 or older, you are (or in the event of your death or disability resulting in judicial appointment of a guardian ad litem, administrator or other legal representative, the executor or administrator of your estate, any person who shall have acquired the Option through bequest or inheritance or such guardian ad litem, administrator or other legal representative is) entitled to exercise this Option per the terms contained herein within one year after you are no longer a full-time employee. Otherwise, you are (or such guardian ad litem, administrator or other legal representative is) entitled to exercise this Option per the terms contained herein within one month after you are no longer a full-time employee. If you die within such exercise periods, your executor or the administrator of your estate or beneficiary may exercise this Option within one year after your death.

- (b) Notwithstanding any provision contained in this Section 6 to the contrary, in no event may this Option be exercised to any extent by anyone after the tenth anniversary of the Date of Grant.
- (c) Notwithstanding the foregoing, in the event that your employment was terminated either for cause or without the consent of the Company, this Option shall terminate immediately.
- (d) If a Change of Control of the Company occurs and the Board of Directors does not, for any reason, act under the provisions of Subsection 7.3 of the Plan, this Option shall become fully vested and exercisable with respect to all Option Shares covered by this Option and, to the extent not previously exercised in whole or in part, all Option Shares shall, unless otherwise determined by the Committee in its sole discretion at or after grant but prior to any Change of Control, be cashed out on the basis of the Change of Control Price (as hereinafter defined) as of the date such Change of Control is determined to have occurred. Cash payment shall be effected to you within 60 days of the date such Change of Control is determined to have taken place. The "Change of Control Price" shall mean the highest price per share paid in any transaction reported on the NASDAQ, or paid or offered in any bona fide transaction related to a Change of Control, at any time during the 60-day period immediately preceding the occurrence of the Change of Control, in each case as determined by the Committee.
- (e) If a Change of Control of the Company has occurred and the Board of Directors has: (i) made provisions for the continuation of this Option, (ii) reached an agreement with the acquiring or surviving entity that the acquiring or surviving entity will assume the obligation of the Company under this Option or (iii) reached an agreement with the acquiring or surviving entity that the acquiring or surviving entity will convert each Option into an option of at least equal value, determined as of the date of the transaction, to

purchase stock of the acquiring or surviving entity, and if you are terminated without cause or you terminate your employment for Good Reason (as hereinafter defined) within 12 months following the occurrence of the Change of Control, notwithstanding the provisions of Section 6(c) of this Option with respect to termination of employment without consent of the Company, this Option shall become fully vested and exercisable with respect to all Option Shares covered by this Option as of the time immediately prior to such termination of employment and notwithstanding any other provision hereof (except Section 6(b)), this Option shall become exercisable by you for 30 days following such termination. For purposes of this Agreement, "Good Reason" shall mean your suffering any of the following events without your consent: (x) significant or material lessening of your responsibilities; (y) a reduction in your annual base salary or a material reduction in the level of incentive compensation for which you have been eligible during the two years immediately prior to the occurrence of the Change of Control and/or a material adverse change in the conditions governing receipt of such incentive compensation from those that prevailed prior to the occurrence of the Change of Control; or (z) the Company's requiring you to be based anywhere other than within 50 miles of your place of employment at the time of the occurrence of the Change of Control, except for reasonably required travel to an extent substantially consistent with your business travel obligations.

7. **Securities Representations.** You acknowledge receipt of the Prospectus under the Registration Statement on Form S-8 (Registration No. 333-34310) filed by the Company with the Securities and Exchange Commission. You understand that if you are an officer, director, 10% shareholder or are otherwise an "affiliate" (within the meaning of Rule 405 under the Securities Act of 1933) of the Company, you may not re-sell any shares acquired pursuant to the exercise of this Option except pursuant to a Registration Statement meeting the requirements of the Securities Act of 1933 or an exemption from the registration requirements of such Act. You represent and agree that you will comply with all applicable laws relating to the Plan and the grant and exercise of this Option and the disposition of the Option Shares, including without limitation federal and state securities and "blue sky" laws.

The Company may affix appropriate legends upon the certificates for the Option Shares and may issue such "stop transfer" instructions to its transfer agent in respect of such shares as it determines, in its discretion, to be necessary or appropriate to (a) prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act, or (b) implement the provisions of the Plan or any agreement between the Company and you with respect to such Option Shares.

8. **Tax Representations.** You represent and warrant that you understand the Federal, state and local income tax consequences of the granting of this Option to you, the exercise of this Option and purchase of Option Shares and the subsequent sale or other disposition of any Option Shares. In addition, you understand and agree that, when you exercise the Option and thereby realize gross income (if any) taxable as compensation in respect of such exercise, the Company will be required to withhold Federal, state and local taxes on the full amount of the compensation income realized by you and may

also be required to withhold other amounts as a result of such exercise. Accordingly, at or prior to the time that you exercise the Option, you hereby agree to provide the Company with cash funds equal to the total federal, state and local taxes and other amounts required to be withheld by the Company or its Subsidiary in respect of any such compensation income or make other arrangements satisfactory to the Company regarding such payment. All matters with respect to the total amount to be withheld as a result of the exercise of this Option shall be determined by the Committee in its sole discretion.

9. **General Provisions.**

- (a) If the total outstanding shares of Common Stock of the Company shall be increased or decreased or changed into or exchanged for a different number or kind of shares of stock or other securities of the Company through reorganization, merger or consolidation, recapitalization, stock split, split-up, combination, exchange of shares, declaration of any dividends payable in Common Stock, or the like, then the number and kind of Option Shares (and option price per share) subject to the unexercised portion of this Option shall be appropriately adjusted by the Board of Directors of the Company, whose determination shall be effective and binding. Such adjustment may provide for the elimination of fractional shares which might otherwise be subject to the Option without payment therefor.
- (b) Neither the Plan nor this Option shall confer upon you any right to continue to be employed by the Company or any Subsidiary of the Company or limit in any respect any right of the Company or any Subsidiary of the Company to terminate your employment at any time, without liability.
- (c) This Agreement contains the entire agreement between the Company and you relating to the Option and supersedes all prior agreements or understandings relating thereto.
- (d) This Agreement may not be amended, changed or waived other than by written instrument signed by the parties hereto.
- (e) If any one or more provisions of this Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
- (f) This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to conflict of law provisions.
- (g) The Company and you agree that they will both be subject to and bound by all of the terms and conditions of the Plan. The Plan Prospectus is accessible on the Company's intranet website, Mainstreet (in the HR Policy Manual – Employee Benefits area), or a paper copy is available upon request. Any capitalized term not defined herein shall have the meaning ascribed to it in the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

- (h) This Option is not transferable otherwise than by will or the laws of descent and distribution and may be exercised, during your lifetime, only by you or your legal representatives.
- (i) This Agreement shall be binding upon and inure to the benefit of any successor or assign of the Company and to any heir, distributee, executor, administrator or legal representative entitled by law to your rights hereunder.
- (j) You shall not have the rights of a shareholder with respect to any shares of Common Stock to be acquired upon exercise of this Option until the stock certificate representing such shares is issued.
- (k) You understand that, under the terms of the Plan and this Agreement, the Company may cancel or rescind this Option in certain circumstances, including, without limitation, if you violate the provisions of Section 4(d) prior to, or within 12 months after, the exercise of any Option Shares.

Please acknowledge acceptance of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning it promptly to Corporate Finance.

FISERV, INC.

By: _____
Senior Executive Vice President

Accepted and Agreed to:

Signature of Optionee/Employee

Street Address

City State Zip Code

CERTIFICATIONS

I, Leslie M. Muma, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fiserv, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 21, 2004

By: /s/ Leslie M. Muma

LESLIE M. MUMA
President and Chief Executive Officer

CERTIFICATIONS

I, Kenneth R. Jensen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fiserv, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 21, 2004

By: /s/ Kenneth R. Jensen

KENNETH R. JENSEN
Senior Executive Vice President, Chief
Financial Officer, Treasurer and Assistant
Secretary

**Written Statement of the Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350**

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned President and Chief Executive Officer of Fiserv, Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Leslie M. Muma

LESLIE M. MUMA
October 21, 2004

**Written Statement of the Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350**

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned Senior Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary of Fiserv, Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Kenneth R. Jensen

KENNETH R. JENSEN
October 21, 2004