

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended: December 31, 2008

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)

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

255 Fiserv Dr., Brookfield, WI 53045
(Address of Principal Executive Offices, Including Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$0.01 per share	The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

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 check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the common stock of the registrant held by non-affiliates as of June 30, 2008 (the last trading day of the second fiscal quarter) was \$7,275,841,671 based on a closing price of \$45.37 on the Nasdaq stock market on that date. The number of shares of the registrant's common stock, \$0.01 par value per share, outstanding at February 25, 2009 was 156,000,417.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this report incorporates information by reference to the registrant's proxy statement for its 2009 annual meeting of shareholders, which proxy statement will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2008.

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those that express a plan, belief, expectation, estimation, anticipation, intent, contingency, future development or similar expression, and can generally be identified as forward-looking because they include words such as “believes,” “anticipates,” “expects,” “could,” “should” or words of similar meaning. Statements that describe our objectives or goals are also forward-looking statements. The forward-looking statements in this report involve significant risks and uncertainties, and a number of factors, both foreseen and unforeseen, could cause actual results to differ materially from our current expectations. The factors that may affect our results include, among others: the impact on our business of the current state of the economy, including the risk of reduction in revenue resulting from the elimination of existing or potential clients due to consolidation or financial failures in the financial services industry or from decreased spending on the products and services we offer; our ability to complete, and the timing of and the proceeds from, the sale of the remainder of the Fiserv ISS business, including the risk that the conditions to the completion of the transaction may not be satisfied or the required regulatory approvals may not be obtained timely or at all; our ability to successfully integrate CheckFree’s operations; changes in client demand for our products or services; pricing or other actions by competitors; the potential impact of our Fiserv 2.0 initiatives; our ability to comply with government regulations, including privacy regulations; and other factors discussed in this report under the heading “Risk Factors.” We urge you to consider these factors carefully in evaluating forward-looking statements and caution you not to place undue reliance upon forward-looking statements, which speak only as of the date of this report. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this report.

PART I

In this report, all references to “we,” “us,” and “our” refer to Fiserv, Inc., a Wisconsin corporation, and, unless the context otherwise requires, its consolidated subsidiaries.

Item 1. Business

Overview

We provide integrated information management and electronic commerce systems and services, including transaction processing, electronic bill payment and presentment, business process outsourcing, document distribution services, and software and systems solutions. We serve approximately 16,000 clients worldwide, including banks and thrifts, credit unions, savings institutions, retailers and merchants, leasing companies, lenders, government agencies, and publicly and privately owned companies. We operate centers in the United States for full-service financial data processing, software system development, item processing and check imaging, technology support and related businesses. Our operations are principally located in the United States. In 2008, our international operations contributed approximately 5% of total revenues from Argentina, Australia, Canada, China, Colombia, Costa Rica, France, India, Indonesia, Luxembourg, Malaysia, Mexico, the Netherlands, the Philippines, Puerto Rico, Poland, Singapore and the United Kingdom.

We were formed through the combination of two major regional data processing firms that began as the data processing operations of their parent financial institutions. Since we began, we have grown by developing highly specialized services and product enhancements, adding new clients, and acquiring businesses that complement ours. We originally incorporated in Delaware in 1984, and reincorporated as a Wisconsin corporation in 1992. Our headquarters are located at 255 Fiserv Drive, Brookfield, Wisconsin 53045, and our telephone number is (262) 879-5000.

The Markets We Serve

General

We believe that the growing volume and types of transactions and payment mechanisms have increased the data processing and other service needs of financial institutions, and we believe that these institutions will continue to require: significant commitments of capital and human resources for information systems requirements; application of more specialized systems; and development, maintenance and enhancement of applications software. In addition, the financial industry regularly introduces and implements new lending, investment, deposit, payment and risk management products, and the distinctions among financial services traditionally offered by banking, thrift and credit union organizations continue to narrow as different types of entities seek to serve the same ultimate customers. We believe that economies of scale in data processing operations are essential to justify the required level of expenditures and commitment of human resources.

The number of financial institutions in the United States continues to decline as a result of economic, market and regulatory factors. Consolidation has not, however, resulted in a material reduction of the number of customers or financial accounts serviced by the financial industry as a whole. Our focus on long-term client relationships and recurring, transaction-oriented products and services has reduced the impact that consolidation has on us. In addition, our revenue is diversified. Our top client represents approximately 5% of our annual revenue, and the next 49 financial institution clients represent approximately 17% of our annual revenue. The remaining 78% of our revenue is spread across the balance of our client base. Finally, we have clients that span the entire range of financial institutions in terms of asset size and we typically enter into multi-year agreements.

In 2009, due in part to the current state of the economy, we anticipate less account processing system switching by all depository institutions, which should benefit us given the number of account processing clients that we have. We also anticipate that demand will continue for products focused on gathering deposits, managing efficiency, and meeting risk and regulatory needs, all of which should translate to revenue opportunities for us. As a result, we believe that our sizable and diverse client base combined with our position as a leading provider of non-discretionary, recurring revenue-based products and services gives us a solid foundation that will continue to show strength, even in these difficult times. Our ongoing operations are reported in the Financial Institution Services (“Financial”) and Payments and Industry Products (“Payments”) business segments.

Financial

The businesses in our Financial segment provide financial institutions with the products and services they need to run their banking operations. Many financial institutions that previously developed their own software systems and maintained their own data processing operations have outsourced their data processing requirements by licensing software from third-parties or by contracting with third-party processors. This has allowed them to reduce costs and enhance their products and services. Outsourcing can involve the licensing of software, which eliminates the costly technical expertise within a financial institution, or the utilization of service bureaus, facilities management or resource management capabilities. Within the Financial segment, we provide banks, thrifts and credit unions with account processing services, item processing services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions.

Payments

The businesses in our Payments segment provide products and services that address a range of technology needs for the financial services industry, including: Internet banking, electronic bill payment, electronic funds transfer and debit processing, fraud and risk management capabilities, card and print personalization services, check imaging and investment account processing services for separately managed accounts. We believe that the

integration of our Internet banking and electronic bill payment and settlement capabilities with our account processing and risk management solutions creates a compelling value proposition for clients.

Corporate Transactions in 2008

In January 2008, we completed the sale of a majority of our health businesses (“Fiserv Health”) to UnitedHealthcare Services, Inc. for approximately \$480 million, net of income taxes and transaction costs. In February 2008, we completed the first of two transactions to dispose of our Investment Support Services segment (“Fiserv ISS”) by selling Fiserv Trust Company and the accounts of our institutional retirement plan and advisor services operations to TD AMERITRADE Online Holdings, Inc. for approximately \$200 million, net of income taxes and transaction costs. In a second transaction, Robert Beriault Holdings, Inc. has agreed to acquire the remaining accounts and net capital of Fiserv ISS, including the investment administration services business which provides back office and custody services for individual retirement accounts. This portion of the Fiserv ISS disposition remains subject to customary closing conditions and regulatory approval by the Federal Deposit Insurance Corporation (the “FDIC”). We also completed the sale of three other subsidiaries in 2008, Del Mar Database, Inc., Insurance Wholesalers Insurance Services, Inc., and CareGain, Inc. The financial results of these businesses are reported as discontinued operations for all periods presented.

In July 2008, we completed the sale of a 51% interest in substantially all of the businesses in our Insurance segment (“Fiserv Insurance”) to Trident IV, LP. We received cash proceeds of approximately \$500 million and a \$30 million note. Beginning on July 15, 2008, we no longer consolidate revenues and expenses of Fiserv Insurance and report our 49% share of net income as a separate line item on our statement of income.

In 2008, we acquired: i_Tech Corporation, a provider of outsourced account and payment processing services; The Data Center, a data center and reseller of the Fiserv ITI Premier banking system; and the CashMaster cash forecasting product.

Our Strategy

Our vision is to be a global leader in transaction-based technology solutions. Our mission is to provide integrated technology and services solutions which enable best-in-class results for our clients. To meet these goals, we are implementing a series of strategic initiatives that we refer to as “Fiserv 2.0.” We are focused on operating businesses where we have: deep industry expertise that enables us to serve the market with high effectiveness; a strong competitive position, currently or via a clear path in the foreseeable future; long-term, trusted, ongoing client relationships which are not based on one-time transactions; differentiated solutions that deliver higher-than-normal value to our clients through integration and innovation; and strong management to execute strategies in a disciplined manner. Consistent with this focus, we are implementing the following strategic platforms:

Enhanced Client Relationship Value. We plan to increase the number and breadth of our client relationships by, among other matters, implementing tighter integration across our product and services groups, bundling more products and services to deliver improved value propositions, and streamlining our service and support processes.

Acquisitions. We expect to acquire businesses when we identify: a compelling strategic need, such as a product, service or technology that helps fill a specific market requirement; an opportunity to change market dynamics; a way to achieve business scale; or some similar consideration.

Innovation. We seek to be an innovation leader in all of our key markets, leveraging our assets and capabilities to be at the forefront of our markets. We expect to explore these opportunities both domestically and abroad.

Operational Excellence. We believe we can improve our performance by using the opportunities created by our size and scale. For example, we expect to improve our performance by more effectively using our consolidated buying power and shared utility structures to provide savings.

Greater Capital Discipline. Finally, we intend to make capital allocation decisions based on the investments that offer the best prospects for our long-term growth and profitability. These investments may include, among other matters, internal investment, repurchases of our own shares or debt, capital improvements or acquisitions.

We intend to continue to integrate our leading Internet banking, electronic billing and payment, and software technologies with our account processing offerings to make it easier for our clients to take advantage of ever-changing market opportunities and to deliver new or enhanced services to their customers.

Principal Solutions and Services

Financial information regarding our business segments is included in Note 9 to the consolidated financial statements on page 54.

Financial

We provide products and services to meet the financial technology needs of banks, credit unions, thrift and savings institutions, and leasing and finance companies. Many of the products and services that we provide are sold as an integrated solution to our clients and include account, lending, item and payments processing.

Account Processing

We provide integrated account servicing and management information functions for our bank, thrift and credit union clients, as well as ancillary value-added products and services that complement the account processing solutions. Account processing solutions include systems that process customer deposit and loan accounts, an institution's general ledgers, central information files and other financial information. These solutions also include extensive security, report generation and other features that financial institutions need to process transactions for their depositors and other customers, as well as to meet their regulatory compliance requirements and their own management information needs. Account processing solutions are offered through online data transmission connections to our data processing centers, often called "service bureaus," or as stand-alone, in-house licensed software for installation on client-owned computer systems. Third party data processing centers also license our software for use in providing services to their clients.

While many of our clients contract to obtain all or a majority of their data processing requirements from us, the modular design of many of our service bureau and software solutions allows clients to start with one application, such as a deposit system, and, as needed, add applications and features developed by us or by third parties. We support a broad range of terminals and other client-owned peripheral devices manufactured by a variety of vendors. This support capability reduces our clients' initial conversion expenses, enhances existing clients' ability to change equipment and broadens our market.

- *Bank and Thrift Account Processing Solutions.* The principal service bureau solutions used by banks, thrifts and savings institutions are: Premier, Cleartouch, Precision, Base, Signature and Source One. We also offer in-house licensed software solutions to our banking clients, including Premier, Precision and Signature. The Signature system is available both domestically and internationally.
- *Credit Union Account Processing Solutions.* The principal account processing solutions primarily used by credit unions are: Advantage, Charlotte, CUBE, CubicsPlus, CUSA, DataSafe, OnCU, Galaxy, Premier, Reliance, Spectrum, and XP2. These solutions are offered in a service bureau environment, as an in-house licensed software system or in both delivery modes.

Lending and Item Processing Solutions

We offer lending and item processing solutions to financial institutions and other financial intermediaries. We provide item processing and imaging systems via in-house solutions or in a service bureau environment to account processing clients as well as to those who do not utilize our account processing systems. Our item

processing services include source capture solutions via a web-based platform for check image capture at branch, merchant, consumer, ATM and regional centers. Through the Fiserv Clearing Network, we provide complete check clearing and image exchange services. We provide image archive services with online retrieval and full disaster backup, and a number of check imaging products that enable banks to leverage the processes provided for in the Check Clearing Act of the 21st Century. Our ACH software, PEP+®, enables payments to be originated and received through the ACH system, and, together with our PEP+reACH™ product, allows returned checks, checks at the point-of-sale, and checks sent to a lockbox to be converted to electronic payments. Our account reconciliation software, ARP/SMS™, is an online, real-time positive pay and reconciliation system that enables customers to monitor deposits and identify duplicate items, which reduces their exposure to check fraud and helps them manage electronic check conversion. Our compliance solutions enable financial institutions, corporations and government agencies to maintain compliance with state and federal regulations applicable to them. We also provide consulting services, business operations services and software products that facilitate the transformation of our clients' payments environment. We enhance a client's ability to achieve its goals by enabling it to identify, select and implement the most effective and cost-efficient strategies. Finally, we offer traditional item processing services, including image capture, proof of deposit, in-clearings, statements, exception and return processing and fraud detection.

Our lending businesses offer a variety of products and services, including: valuation services, portfolio analytical services and real estate settlement services; automotive loan origination systems, lease and loan servicing products, default mitigation and business process outsourcing services; and a mortgage loan servicing platform and loan origination and tracking systems.

We also provide software, maintenance, support and consulting services primarily to large global financial service providers and other companies to support their ACH, account reconciliation, compliance, check and remittance payment processing, fraud and risk management and cash logistics needs. These products are designed to improve operational efficiency and contribute to increased profitability. We generally grant non-exclusive, non-transferable licenses to use our application software.

Payments

E-Banking

Our e-banking business is comprised of our online bill payment products and our online banking and cash management products. Financial institutions can offer our bill payment services to consumers either through a hosted application, known as CheckFree RXP, or through various protocols that link online banking applications to our Genesis billing and payment system. CheckFree RXP allows our clients' customers to: manage household bills via an easy-to-use, online tool; view relevant billing and payment information; pay and manage all of their bills at one location; experience the same speed of payment they would normally have at a biller's site; and conveniently make next-day payments to many of the companies with which they do business.

We use our Genesis platform to process the vast majority of the payment transactions that we process, which enables us to improve our economies of scale. Once a consumer has accessed the system through a financial institution, he or she can elect to pay an electronic bill delivered by us or can instruct the system to pay any individual or company within the United States. We complete this payment request either electronically, using the Federal Reserve's ACH network or other electronic methods such as MasterCard RPPS service or Visa ePay, or by issuing a paper check or draft. In 2008, we processed more than 1.3 billion online bill payment transactions. We also provide the Paytraxx™ bill payment solution which delivers a broad range of functionality and features for both consumer and business bill payment.

Our principal online consumer and business banking product is Voyager™, a software platform upon which we have built a number of software applications to support multiple lines of banking businesses. Using universal standards, it has been designed to be highly scalable to meet the evolving needs of our clients. This structure enables our clients to deploy new Internet-based financial services by adding applications to our platform at any

time and by integrating future applications to any Internet connected point-of-presence. We also provide a series of treasury management solutions, including online business banking, commercial cash management, remote deposit, and corporate data exchange, under our BANKLINK® brand.

Mobile Money is a new product that seeks to capitalize on the growth of the mobile channel as an access and delivery point for banking and payment services. Mobile Money provides a variety of mobile banking and payments services, including balance inquiry, transaction history, bill payment and transfers, through a mobile device to our financial institution clients and their customers. It enables financial institutions to reach more consumers via the mobile channel than any other single technology solution because it supports all three mobile access modes: browser, SMS or text banking, and mobile application. Mobile Money can also be integrated into our account processing, online banking and bill payment products.

Biller Business

We believe that consumers will continue to shift their financial transactions from traditional paper-based methods to electronic methods if they have easy-to-access, easy-to-use, secure and cost-effective methods of receiving and paying their bills electronically. In 2008, through our electronic biller services business, we delivered approximately 300 million electronic bills to consumers through our various distribution channels. Consumers access our electronic billing and payment solutions via numerous hosted channels, including through a financial institution's Internet portal, through the billers' Internet sites, and through our biller services internet portal, www.mycheckfree.com. Additionally, consumers can make their bill payments, including emergency or expedited payments, through our agent-assisted, Internet or interactive voice response phone tools and our nationwide walk-in bill payment locations. These diverse services allow the customers of our clients to pay their bills wherever and however they feel most comfortable. Our electronic biller services business also offers a host of club management and electronic financial transaction services within the health and fitness industry.

Risk Management

Our risk management business provides a suite of products and services, including financial crime, compliance, anti-money laundering, fraud prevention, market surveillance and employee fraud detection solutions. Our offerings in this market include Fiserv KRM, Fraud Manager, Fraud Detection System, Fraudlink and Fraudguard.

Credit Processing

Our feature-rich credit products and services fulfill a wide range of bank card, retail, commercial and consumer credit processing requirements through an integrated, full-service credit management solution that utilizes a globally recognized processing platform. Our credit processing system is a real-time product that is scalable to multi-million account portfolios. It provides credit decisioning, authorization processing, online cardholder account management, customer service case management, letters, card production, statements, targeted marketing programs, collections, and recovery management. Our end-to-end solution offers efficient and cost-effective processing solutions to all types of credit issuers.

EFT

Fiserv EFT, a leader in the electronic funds transfer marketplace, provides a total payments solution through a variety of products, services and strategies. We offer ATM, credit and point of sale PIN-based debit transaction processing, Visa and MasterCard signature debit processing, ATM driving and monitoring, electronic benefits transfer switching and national and regional network access. We own the ACCEL/Exchange Network and operate approximately 20,000 ATMs. Fiserv EFT has a highly recurring revenue model with an average contract term of more than five years. Comprehensive integration with our account processing products and services allows us to drive down costs and leverage efficiencies for our clients through enterprise offerings in areas such as risk management and loyalty rewards. Fiserv EFT generates over 85% of its revenues from transactions performed by customers and members of our financial institution clients. Fiserv EFT's clients include more than

2,800 banks and credit unions of all asset sizes, resellers (via both business alliance and remarketer agreements), independent sales organizations and merchant acquirers across the United States. In 2008, we processed approximately six billion ATM and debit transactions, making us one of the largest financial transaction processors in the nation.

Output Solutions

Our output solutions business provides clients with: electronic document management through our Electronic Document Delivery products and services; card manufacturing, personalization and mailing, statement production and mailing, and design and fulfillment direct mail solutions; and forms distribution, laser printing and mailing, and office supplies.

Investment Services

We provide a range of technology platforms to help approximately 350 financial institutions, including broker dealers, global asset managers, investment advisors, banks and insurance companies, deliver portfolio management, enhanced trading solutions, performance measurement, reporting services, corporate actions, billing, and trading automation to their clients. Our fee-based investment management clients are typically sponsors or managers in the managed accounts and wealth management market that offer separately managed accounts, unified managed accounts, mutual fund advisory accounts, and investment management products, or global institutional money managers, managing investments of institutions and high net worth individuals. Our primary product is a real-time portfolio management and trading system used by nine of the top ten largest brokerage firms, based on assets under management, and eight of the top ten largest asset managers offering managed accounts.

Servicing the Market

Our mission is to provide integrated technology and services solutions that enable best-in-class results for our clients. This principle is backed by our dedication to providing excellent client service and support no matter the size of the client. The markets for our account and transaction processing services have specific needs and requirements, with strong emphasis placed by clients on flexibility, quality, comprehensiveness and integration of product lines, service reliability, timely introduction of new products and features, cost effectiveness, and service excellence. Through our multiple product and service offerings, we service the needs of our clients which range in size from start-ups to the largest financial services providers.

We offer clients a selection of information management and data processing services designed to meet the specific needs of the ever-changing financial services industry. We believe that our financial strength and primary focus on the financial services industry enhances our ability to develop and support products and services and service our clients. In addition, we believe that our commitment of substantial resources to training and technical support helps us to retain clients. We conduct the majority of our new and ongoing client training in our technology centers, where we maintain fully equipped demonstration and training facilities that contain equipment used in the delivery of our services. We also provide on-site training services and online education to clients.

Product Development

To meet the changing technology needs of our clients, we continually develop, maintain and enhance our products and systems. In 2008, 2007 and 2006, product development expenses represented approximately 8%, 7% and 7%, respectively, of our total revenues. Our network of development and financial information technology centers apply the expertise of multiple teams to design, develop and maintain specialized processing systems around our multiple technology platforms. The applications of our account processing systems meet the preferences and diverse requirements of the international, national, regional or local market-specific financial service environments of our clients. In developing our products, we stress interaction with and responsiveness to the needs of our clients, including customization of software to meet client needs. We have adopted web services

and service-oriented architecture principles in our software development practices so that we and our clients can benefit from the efficient development of technology. We have implemented a nationwide networking infrastructure among billers, consumers, retail agents and financial institutions to transfer transaction data among them and to complete electronic billing and payment transactions. We provide dedicated solutions that are designed, developed, maintained and enhanced according to each client's goals for service quality, business development, asset and liability mix, and local market positioning as well as other user-defined parameters.

Intellectual Property

We regard our transaction processing services and related products and our software as proprietary, and utilize a combination of patent, copyright, trademark and trade secrecy laws, internal security practices and employee and third party non-disclosure agreements for protection. We believe that legal protection of our software, while important, is less significant than the knowledge and experience of our management and personnel and their ability to develop, enhance and market new products and services. The majority of our patents cover various electronic billing and payment innovations, other financial software products or services, or aspects of our separately managed accounts services. We believe that we possess all proprietary rights necessary to conduct our business.

Competition

Financial

The market for information technology products and services within the financial industry is highly competitive. Our principal competitors include internal data processing departments, data processing affiliates of large companies and large computer hardware manufacturers, independent computer service firms and processing centers owned and operated as user cooperatives. Some of these competitors possess substantially greater financial, sales and marketing resources than we do. Competition for in-house data processing and software departments is intensified by the efforts of computer hardware vendors which encourage the growth of internal data centers and consulting service providers who assist these departments with the design and implementation of customized software solutions. Our software products compete in several different market segments and geographies, including with large diversified computer software and service companies and independent suppliers of software products.

Competitive factors for account processing services include product quality, service reliability, product line comprehensiveness and integration, timely introduction of new products and features, and price. We believe that we compete favorably in each of these categories. In addition, we believe that our position as an independent vendor, rather than as a cooperative, an affiliate of a larger corporation or a hardware vendor, is a competitive advantage. We compete with vendors that offer similar transaction processing products and services to financial institutions, including Fidelity National Information Services, Inc., Metavante Technologies, Inc., Jack Henry and Associates, Inc., and Open Solutions, Inc. There has been significant consolidation among providers of information technology products and services to financial institutions, and we believe this consolidation will continue in the future.

Payments

Our primary competition in the electronic commerce market is the traditional paper-based method of receiving and paying bills. In addition, the possibility of billers and financial institutions continuing to use or deciding to create in-house systems to handle their own electronic billing and payment transactions, and their own Internet banking solutions in the case of financial institutions, remains a significant competitive threat. In-house solutions have been, and will continue to be, an option for our clients and a competitive factor facing our business.

Metavante Technologies, Inc. and Online Resources Corporation compete with us most directly as full service banking, billing and bill payment competitors. A number of other companies compete with us by providing some, but not all, of the services that make up our complete e-bill and electronic pay anyone service, including Yodlee, MasterCard International and Visa. In the area of Internet consumer banking, we primarily

compete with other companies that provide outsourced Internet finance solutions to large financial institutions, including S1 Corporation, and with companies that offer software platforms designed for internal development of Internet-based financial services software. We expect competition to continue to increase as new companies enter our markets and existing competitors expand their product lines and services. In addition, many companies that provide outsourced Internet finance solutions are consolidating, creating larger competitors with greater resources and broader product lines. Our investment services business competes primarily with providers of portfolio accounting software and outsourced services and with in-house solutions developed by large financial institutions.

Government Regulation

Our data processing and electronic commerce subsidiaries are generally not directly subject to federal or state regulations specifically applicable to financial institutions such as banks, thrifts and credit unions. However, as a provider of services to these financial institutions, our data processing and electronic commerce operations are examined on a regular basis by the FDIC, the Federal Reserve Bank, the National Credit Union Association, the Office of Thrift Supervision, the Office of the Comptroller of the Currency and various state regulatory authorities. Because we use the Federal Reserve's ACH network to process many of our transactions, we are subject to the Federal Reserve Board's rules with respect to its ACH network. In addition, independent auditors annually review many of our operations to provide internal control evaluations for our clients' auditors and regulators.

In conducting our electronic commerce business, we are subject to various laws and regulations relating to the electronic movement of money. In 2001, the USA Patriot Act amended the Bank Secrecy Act ("BSA") to expand the definition of money services businesses so that it may include businesses such as CheckFree. CheckFree submitted a request for an administrative ruling from the Financial Crimes Enforcement Network ("FinCEN") in 2002 with respect to whether FinCEN views CheckFree as a money services business. To date, CheckFree has not received a ruling from FinCEN. If CheckFree's business is determined to be a money services business, then CheckFree will have to register with FinCEN as a money services business and be regulated as such. Also, nearly all states and the District of Columbia have enacted statutes that require entities engaged in money transmission, the sale of traveler's checks (including money orders) and the sale of stored value cards to register as a money transmitter with that jurisdiction's banking department, and CheckFree has registered as a money transmitter where required. In addition, our electronic commerce business is subject to the regulations of the Office of Foreign Assets Control, the electronic funds transfer rules embodied in Regulation E promulgated by the Federal Reserve Board and, when conducting certain transactions, the Gramm-Leach-Bliley Act.

Our walk-in bill payment service is registered as a money service business with FinCEN. We have established and maintain a program to provide a system of controls and procedures that we believe is reasonably designed to detect, prevent and report actual or suspected violations of the BSA, money laundering statutes, anti-terrorism statutes and other illicit activity. We requested an administrative ruling from FinCEN in 2003 regarding whether FinCEN considers all or some of our walk-in bill payment service to be a money services business. We made a supplemental ruling request in 2008. FinCEN has not yet issued a ruling. If our walk-in bill payment business is determined to be a money services business, then we will be regulated accordingly. If not, we will deregister the walk-in bill payment service as a money service business. In addition, we currently maintain 44 licenses to comply with the various money transmitter statutes mentioned above, and we are subject to annual audits by such jurisdictions.

From time to time, in order to comply with our obligations under federal and state laws, we may be required to comply with annual reporting or licensing requirements or to implement operating policies and procedures to protect, among other matters, the privacy and security of our clients' information.

Employees

We have approximately 20,000 employees, many of whom are specialists in our information management centers and related product and service businesses. This service support network includes employees with backgrounds in computer science and the financial and insurance industries, often complemented by management and other employees with direct experience in banks, thrifts, credit unions, savings institutions, and other financial services environments. Our employees provide expertise in: programming, software development, modification and maintenance; computer operations, network control and technical support; client services and training; business process outsourcing; item and mortgage processing; system conversions; sales and marketing; and account management.

None of our employees in the United States are represented by a union and there have been no work stoppages, strikes or, to our knowledge, attempts to organize. The service nature of our business makes our employees an important corporate asset. Although the market for qualified personnel is competitive, we have not experienced significant difficulty with hiring or retaining our staff of top industry professionals. In assessing potential acquisition candidates, the quality and stability of the prospective company's staff are emphasized.

Available Information

Our website address is www.fiserv.com. We are not including the information provided on our website as a part of, or incorporating it by reference into, this Annual Report on Form 10-K. We make available free of charge (other than an investor's own Internet access charges) through our website our annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, and amendments to these reports, as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the Securities and Exchange Commission.

Item 1A. Risk Factors

You should carefully consider each of the risks described below, together with all of the other information contained in this Annual Report on Form 10-K, before making an investment decision with respect to our securities. If any of the following risks develop into actual events, our business, financial condition or results from operations could be materially and adversely affected and you may lose all or part of your investment.

Our business may be adversely impacted by U.S. and global market and economic conditions.

For the foreseeable future, we expect to continue to derive most of our revenue from products and services we provide to the financial services industry. Given this concentration, we may be particularly exposed to the current global economic recession. For example, our Financial segment has been negatively impacted by a significant reduction in home-equity processing revenues resulting from the decline in the U.S. mortgage markets. A poor economic environment could result in significant decreases in demand by current and potential clients for our products and services, which could have a material adverse effect on our business, results of operations and financial condition.

Consolidations and failures in the banking and financial services industry could adversely affect our revenues by eliminating existing or potential clients and making us more dependent on a more limited number of clients.

Many banks and financial institutions are experiencing significant operating losses, including many of our clients. In some cases, these operating losses have resulted in the failure and/or consolidation of banks and other financial institutions. Failures, mergers and consolidations of banks and financial institutions reduce the number of our clients and potential clients, which could adversely affect our revenues. Further, if our clients fail or merge with, or are acquired by, other entities that are not our clients, or that use fewer of our services, they may discontinue or reduce their use of our services. It is also possible that the larger banks or financial institutions

resulting from mergers or consolidations would have greater leverage in negotiating terms with us or could decide to perform in-house some or all of the services which we currently provide or could provide. Any of these developments could have a material adverse effect on our business, results of operations and financial condition.

We operate in a competitive business environment, and if we are unable to compete effectively, our results of operations and financial condition may be adversely affected.

The market for our services is competitive. Our competitors vary in size and in the scope and breadth of the services they offer. Some of our competitors have substantial resources. Since many of our larger potential clients have historically developed their key applications in-house, we often compete against our potential clients' in-house capabilities. Our existing large clients may also explore the possibility of internally performing portions of the outsourced Internet banking and electronic billing and payment services that we provide to them. In addition, we expect that the markets in which we compete will continue to attract new competitors and new technologies, including international providers of similar products and services to ours, having a lower cost structure. We cannot provide any assurance that we will be able to compete successfully against current or future competitors or that competitive pressures faced by us in the markets in which we operate will not materially and adversely affect our business, financial condition and results of operations.

If we fail to adapt our products and services to changes in technology or in the marketplace, or if our ongoing efforts to upgrade our technology are not successful, we could lose clients.

The markets for our products and services are characterized by constant technological changes, frequent introductions of new products and services and evolving industry standards. Our ability to enhance our current products and services and to develop and introduce innovative products and services that address the increasingly sophisticated needs of our clients and their customers will significantly affect our future success. We may not be successful in developing, marketing or selling new products and services that meet these changing demands. In addition, we may experience difficulties that could delay or prevent the successful development, introduction or marketing of these services, or our new services and their enhancements may not adequately meet the demands of the marketplace or achieve market acceptance. We continually engage in significant efforts to upgrade our products and services. If we are unsuccessful in completing or gaining market acceptance of new technology, it would likely have a material adverse effect on our ability to retain existing clients or attract new ones.

If we are unable to renew client contracts at favorable terms, we could lose clients and our results of operations and financial condition may be adversely affected.

Failure to achieve favorable renewals of client contracts could negatively impact our business. Our contracts with our clients for account processing services generally run for a period of three to five years in our Financial segment and provide for termination fees upon early termination. Our contracts with financial services organizations for electronic commerce services generally provide for terms of two to five years. At the end of the contract term, clients have the opportunity to renegotiate their contracts with us and to consider whether to engage one of our competitors to provide products and services. In addition, it is possible that one or more clients could seek to renegotiate terms with us. If we are not successful in achieving high renewal rates and favorable contract terms, our results of operations and financial condition may be adversely affected.

The market for our electronic transaction services is evolving and may not continue to develop or grow rapidly enough to sustain profitability.

If the number of electronic transactions does not continue to grow or if consumers or businesses do not continue to adopt our services, it could have a material adverse effect on our business, financial condition and results of operations. We believe future growth in the electronic transactions market will be driven by the cost, ease-of-use, and quality of products and services offered to consumers and businesses. In order to consistently increase and maintain our profitability, consumers and businesses must continue to adopt our services. In addition, if we are unable to continue to decrease the cost of processing transactions, our margins could decrease, which could have a material adverse effect on our business, financial condition and results of operations. Our

electronic commerce business also relies on contracts with financial services organizations, businesses, billers, Internet portals and other third parties to provide branding for our electronic commerce services and to market our services to their customers. These contracts are an important source of the growth in demand for our electronic commerce products. If any of these third parties abandons, curtails or insufficiently increases its marketing efforts, it could have a material adverse effect on our business, financial condition and results of operations.

Our balance sheet includes significant amounts of goodwill and intangible assets. The impairment of a significant portion of these assets would negatively affect our financial results.

Our balance sheet includes goodwill and intangible assets that represent approximately 70% of our total assets at December 31, 2008. These assets consist primarily of goodwill and identified intangible assets associated with our acquisitions, including significant goodwill and intangible assets associated with our acquisition of CheckFree. On at least an annual basis, we assess whether there have been impairments in the carrying value of goodwill and intangible assets. If the carrying value of the asset is determined to be impaired, then it is written down to fair value by a charge to operating earnings. An impairment of a significant portion of goodwill or intangible assets could materially negatively affect our results of operations.

We may be obligated to indemnify the purchasers of Fiserv Health, Fiserv ISS or Fiserv Insurance pursuant to the terms of the relevant purchase and sale agreements.

In 2008, we completed the sale of several significant businesses. In connection with the sales, we made representations and warranties about the businesses and their financial affairs and agreed to be liable for certain liabilities resulting from our operation of such businesses prior to the sale. Pursuant to the terms of the agreements, we may be obligated to indemnify the purchasers for certain material adverse events arising out of or related to our prior operation of the business and for any breach of a representation or warranty. Our obligation to indemnify a purchaser in the future could have a material adverse effect on our business, results of operations and financial condition.

We may not complete the sale of the remainder of Fiserv ISS in the time frame we anticipate, or at all, and we are subject to the risks of the operation of that business.

We have entered into an agreement to sell the remainder of Fiserv ISS, which primarily provides back office and custody services for self-directed individual retirement accounts. The completion of the sale is subject to a number of risks and uncertainties, including: the satisfaction of the conditions to the completion of the sale; the parties to the sale obtaining all necessary regulatory approvals, including approval from the FDIC; legal proceedings that may be instituted against us or others; the occurrence of any event, change or other circumstance that could give rise to the termination of the applicable disposition agreement; and our ability to obtain the expected proceeds from the disposition. These and other factors could cause our ability to complete the disposition on the terms and within the time frame anticipated to be different than expected. Therefore, there is no guarantee that we will be able to complete the transaction. We are subject to the risks of operating the remainder of the Fiserv ISS business until we complete the sale, or if we are unable to complete the sale, which include compliance with applicable regulations, data security risks, and potential legal proceedings with respect to the operation of this business. Such risks could have a material adverse effect on our business, financial condition and results of operations.

We may be sued for infringing on the intellectual property rights of others.

Third parties may claim that we are infringing on their intellectual property rights. We may violate the rights of others without our knowledge. We may expose ourselves to additional liability if we agree to indemnify our clients against third party infringement claims. If a litigant establishes that we are infringing its intellectual property rights, or that our intellectual property rights are invalid, we may be forced to change our products, services, or manufacturing processes, and such changes may be expensive or impractical. We may then be forced to seek royalty or license agreements from such litigant. If we are unable to agree on acceptable terms, we may

be required to discontinue the sale of key products or halt other aspects of our operations. In addition, we may also be liable for significant financial damages for a violation of intellectual property rights, and we may incur significant expense in connection with indemnifying our clients against losses suffered by them. Any adverse result related to violation of third party intellectual property rights could materially and adversely harm our business, financial condition and results of operations. Even if intellectual property claims brought against us are without merit, they may result in costly and time consuming litigation, and may divert our management and key personnel from operating our business.

Security breaches or computer viruses could harm our business by disrupting our delivery of services and damaging our reputation.

We electronically receive, process, store and transmit our clients' and their customers' sensitive information. Unauthorized access to our computer systems could result in the theft or publication of confidential information or the deletion or modification of records or could otherwise cause interruptions in our operations. These concerns about security are increased when we transmit information over the Internet. Computer viruses can be distributed and rapidly spread over the Internet. Computer viruses could infiltrate our systems, disrupting our delivery of services and making our applications unavailable. Any inability to prevent security breaches or computer viruses could have a negative impact on our reputation, could expose us to liability, could decrease market acceptance of electronic transactions and could cause our present and potential clients to choose another service provider. Any of these developments could have a material adverse effect on our business, results of operations and financial condition.

Increased leverage may harm our financial condition and results of operations.

As of December 31, 2008, we had approximately \$4.1 billion of total long-term debt, including current maturities. We and our subsidiaries may incur additional indebtedness in the future. Our current level of indebtedness and any future increase in our level of indebtedness could: increase our cash requirements to support the payment of interest; increase our vulnerability to adverse changes in general economic and industry conditions; decrease our ability to obtain additional financing for working capital, capital expenditures, general corporate or other purposes; limit our flexibility in planning for, or reacting to, changes in our business and our industry; and limit our flexibility to make acquisitions. Our ability to make payments of principal and interest on our indebtedness depends upon our future performance, which will be subject to general economic conditions and financial, business and other factors affecting our consolidated operations, many of which are beyond our control. If we are unable to generate sufficient cash flow from operations in the future to service our debt and meet our other cash requirements, we may be required, among other things: to seek additional financing in the debt or equity markets; to refinance or restructure all or a portion of our indebtedness; or to reduce or delay planned capital or operating expenditures. Such measures might not be sufficient to enable us to service our debt and meet our other cash requirements. In addition, any such financing, refinancing or sale of assets might not be available at all or on economically favorable terms, particularly given current economic and credit market conditions.

We may not realize the expected benefits of the acquisition of CheckFree.

Our ability to realize the anticipated benefits of the acquisition will depend, in part, on our ability to successfully integrate the businesses of Fiserv and CheckFree, and we cannot assure you that the combination of the two companies will result in the realization of the anticipated economic, operational and other benefits from the acquisition within expected time frames or at all. In particular, we have estimated that we will be able to achieve annual cost savings of more than \$100 million and annual revenue synergies of more than \$125 million over the next several years as we integrate the CheckFree acquisition. Our ability to achieve those savings and synergies depends on a number of factors, some of which are beyond our control, and we will not be able to fully assess these opportunities until after the integration is complete. As a result, the integration of CheckFree may not generate expected revenue synergies, cross-selling opportunities or cost savings on the expected time frames or at all. If we are unable to successfully implement our planned integration with CheckFree and realize the expected benefits from the acquisition, our results of operations and cash flows could be adversely affected.

Our acquisition strategy subjects us to risks, including increased debt, assumption of unforeseen liabilities and difficulties in integrating operations.

A major contributor to our growth in revenues and earnings since our inception has been our ability to identify, acquire and integrate complementary businesses. We anticipate that we will continue to seek to acquire complementary businesses, products and services. We may not be able to identify suitable acquisition candidates in the future, which could adversely affect our future growth. Businesses we acquire may not perform as well as expected or be more difficult to integrate and manage than expected, which could adversely affect our business and financial results. We may not be able to fully integrate all aspects of acquired businesses successfully or fully realize the potential benefits of bringing them together. In addition, the process of integrating these acquisitions may disrupt our business and divert our resources.

These risks may arise for a number of reasons: we may not be able to find suitable businesses to acquire at affordable valuations or on other acceptable terms; we face competition for acquisitions from other potential acquirers; we may need to borrow more money from lenders or sell equity or debt securities to the public to finance future acquisitions and the terms of these financings may be adverse to us; changes in accounting, tax, securities or other regulations could increase the difficulty or cost for us to complete acquisitions; we may incur unforeseen obligations or liabilities in connection with acquisitions; we may need to devote unanticipated financial and management resources to an acquired business; we may not realize expected operating efficiencies or product integration benefits from an acquisition; we could enter markets where we have minimal prior experience; and we may experience decreases in earnings as a result of non-cash impairment charges.

Operational failures in our outsourcing or transaction processing facilities could harm our business and reputation.

An operational failure in our outsourcing or transaction processing facilities could cause us to lose clients. Damage or destruction that interrupts our provision of services could damage our relationship with clients and may cause us to incur substantial additional expense to repair or replace damaged equipment. In addition, we may also be liable to third parties or owe service credits to our clients. A prolonged interruption of our services or network that extends for more than several hours could cause us to experience data loss or a reduction in revenues as a result of such interruption. In addition, a significant interruption of service could have a negative impact on our reputation and could cause our present and potential clients to choose another service provider.

We may experience software defects, development delays or installation difficulties, which would harm our business and reputation and expose us to potential liability.

Our services are based on sophisticated software and computing systems, and we may encounter delays when developing new applications and services. Further, the software underlying our services has occasionally contained and may in the future contain undetected errors or defects when first introduced or when new versions are released. In addition, we may experience difficulties in installing or integrating our technologies on platforms used by our clients. Defects in our software, errors or delays in the processing of electronic transactions or other difficulties could result in interruption of business operations, delay in market acceptance, additional development and remediation costs, diversion of technical and other resources, loss of clients, negative publicity or exposure to liability claims. Although we attempt to limit our potential liability through disclaimers and limitation of liability provisions in our license and client agreements, we cannot be certain that these measures will successfully limit our liability.

Misappropriation of our intellectual property and proprietary rights could impair our competitive position.

Our ability to compete depends upon proprietary systems and technology. We actively seek to protect our proprietary rights. Nevertheless, unauthorized parties may attempt to copy aspects of our services or to obtain and use information that we regard as proprietary. The steps we have taken may not prevent misappropriation of technology. Agreements entered into for that purpose may not be enforceable or provide us with an adequate

remedy. Effective patent, trademark, service mark, copyright and trade secret protection may not be available in every country in which our applications and services are made available. Misappropriation of our intellectual property or potential litigation concerning such matters could have a material adverse effect on our results of operations or financial condition.

If we fail to comply with applicable regulations our businesses could be harmed.

Our financial services data processing subsidiaries are not directly subject to federal or state regulations specifically applicable to financial institutions such as banks, thrifts and credit unions. However, as a provider of services to these financial institutions, our data processing operations are examined on a regular basis by various federal and state regulatory authorities. If we fail to comply with any applicable regulations, we could be exposed to suits for breach of contract or to governmental proceedings, our client relationships and reputation could be harmed and we could be inhibited in our ability to obtain new clients. In addition, the future enactment of more restrictive laws or rules on the federal or state level, or, with respect to our international operations, in foreign jurisdictions on the national, provincial, state or other level, could have an adverse impact on our results of operations or financial condition.

Our failure to comply with a series of complex regulations in our walk-in payment business could subject us to liability.

CheckFreePay is licensed as a money transmitter in those states where such licensure is required. These licenses require us to demonstrate and maintain certain levels of net worth and liquidity and also require us to file periodic reports. In addition, this business is subject to regulation in the United States by FinCEN, including anti-money laundering regulations and certain restrictions on transactions to or from certain individuals or entities. The complexity of these regulations will continue to increase our cost of doing business. In addition, any violations of law may result in civil or criminal penalties against us and our officers or the prohibition against us providing money transmitter services in particular jurisdictions.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

We currently operate full-service data centers, software system development centers and item processing and back-office support centers in over 150 cities. We own 12 buildings and the remaining 195 locations where we operate our businesses are subject to leases expiring through 2009 and beyond. In addition, we maintain our own national data communication network consisting of communications processors and leased lines.

We believe our facilities and equipment are generally well maintained and are in good operating condition. We believe that the computer equipment that we own and our various facilities are adequate for our present and foreseeable business needs. We periodically upgrade our mainframe capability. We maintain our own, and contract with multiple service providers to provide, processing back-up in the event of a disaster. We also maintain copies of data and software used in our business in locations that are separate from our facilities.

Item 3. Legal Proceedings

In the normal course of business, we and our subsidiaries are named as defendants in lawsuits in which claims are asserted against us. Other than as described in Note 8 to the accompanying consolidated financial statements, in the opinion of management, the liabilities, if any, which may ultimately result from such lawsuits are not expected to have a material adverse effect on our consolidated financial statements.

Item 4. Submission of Matters to a Vote of Security Holders

During the fourth quarter of the fiscal year covered by this report, no matter was submitted to a vote of our security holders.

EXECUTIVE OFFICERS OF THE REGISTRANT

The names of our executive officers as of February 26, 2009, together with their ages, positions and business experience are described below:

<u>Name</u>	<u>Age</u>	<u>Title</u>
Jeffery W. Yabuki	48	President, Chief Executive Officer and Director
James W. Cox	45	Executive Vice President, Corporate Development
Thomas J. Hirsch	45	Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary
Peter J. Kight	52	Vice Chairman and Director
Stephen E. Olsen	48	Executive Vice President and Group President, Depository Institution Services
Charles W. Sprague	59	Executive Vice President, General Counsel, Chief Administrative Officer and Secretary
Thomas W. Warsop III	42	Executive Vice President and Group President, Financial Institution Services

Mr. Yabuki has been a director and our President and Chief Executive Officer since 2005. Before joining Fiserv, Mr. Yabuki served as Executive Vice President and Chief Operating Officer for H&R Block, Inc., a financial services firm, from 2002 to 2005. From 2001 to 2002, he served as Executive Vice President of H&R Block and from 1999 to 2001, he served as the President of H&R Block International. From 1987 to 1999, Mr. Yabuki held various executive positions with American Express Company, a financial services firm, including President and Chief Executive Officer of American Express Tax and Business Services, Inc.

Mr. Cox has served as Executive Vice President, Corporate Development since 2006. From 2003 to 2006, he served as President of our Health Solutions Group, and joined us in 2001 with the acquisition of Trewit, Inc., where he was President. Prior to that, Mr. Cox was a partner in Virchow Krause & Company, LLP, a public accounting and consulting firm.

Mr. Hirsch has served as Executive Vice President, Chief Financial Officer and Treasurer since 2006. Mr. Hirsch joined Fiserv in 1994 as a Divisional Assistant Controller, became Corporate Assistant Controller in 1996, Corporate Vice President in 1997, Corporate Controller in 1999 and Senior Vice President and Controller in 2002. Prior to joining us, Mr. Hirsch was an audit manager with Deloitte & Touche LLP.

Mr. Kight has been a director and Vice Chairman since 2007. Mr. Kight is the founder of CheckFree Corporation, which was acquired by Fiserv in 2007, and served as its Chairman and Chief Executive Officer since 1981. Mr. Kight is also director of Akamai Technologies, Inc., a publicly traded company that distributes computing solutions and services, and Manhattan Associates, Inc., a publicly traded company that provides supply chain planning and execution solutions.

Mr. Olsen joined Fiserv in 2007 in connection with our acquisition of CheckFree Corporation as Executive Vice President and President of our Internet Banking and Electronic Payments Group, and assumed his current position at the end of 2008. Prior to joining Fiserv, from 1997 to 2007, Mr. Olsen held a variety of positions at CheckFree, most recently as CheckFree's Chief Operating Officer. From 1996 to 1997, Mr. Olsen served as Vice President, Chief Information Officer of Geac Computer Corporation. From 1990 to 1996, Mr. Olsen served as Vice President, Chief Information Officer of Dun & Bradstreet Software.

Mr. Sprague has served as Executive Vice President, General Counsel and Secretary since 1994 and as Chief Administrative Officer since 1999. He has been involved with our corporate and legal concerns since we were formed in 1984.

Mr. Warsop joined Fiserv in 2007 as Executive Vice President and President of our Financial Institutions Group and assumed his current position at the end of 2008. Prior to that, Mr. Warsop served for 17 years in various capacities, including Vice President, US Financial Services, at Electronic Data Systems Corp. ("EDS"), a publicly-traded global technology services company. He also served as a Vice President with EDS in the United Kingdom and as president of EDS's Business Process Outsourcing unit in Asia Pacific.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Price Information

Our common stock is traded on the Nasdaq Global Select Market under the symbol “FISV.” Set forth below is the high and low sales price of our common stock during the periods presented.

Quarter Ended	2008		2007	
	High	Low	High	Low
March 31	\$ 56.80	\$ 46.64	\$ 55.08	\$ 50.27
June 30	54.37	45.30	59.85	51.75
September 30	54.67	43.05	58.32	44.16
December 31	46.88	27.75	56.22	49.34

At December 31, 2008, our common stock was held by 3,075 shareholders of record and by a significantly greater number of shareholders who hold shares in nominee or street name accounts with brokers. The closing sale price of our common stock on February 25, 2009 was \$33.73 per share. We have never paid dividends on our common stock and we do not anticipate paying dividends in the foreseeable future. For additional information regarding our expected use of capital, refer to the discussion in this report under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.”

Issuer Purchases of Equity Securities

The table below sets forth information with respect to purchases made by or on behalf of us or any “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934) of shares of our common stock during the three months ended December 31, 2008:

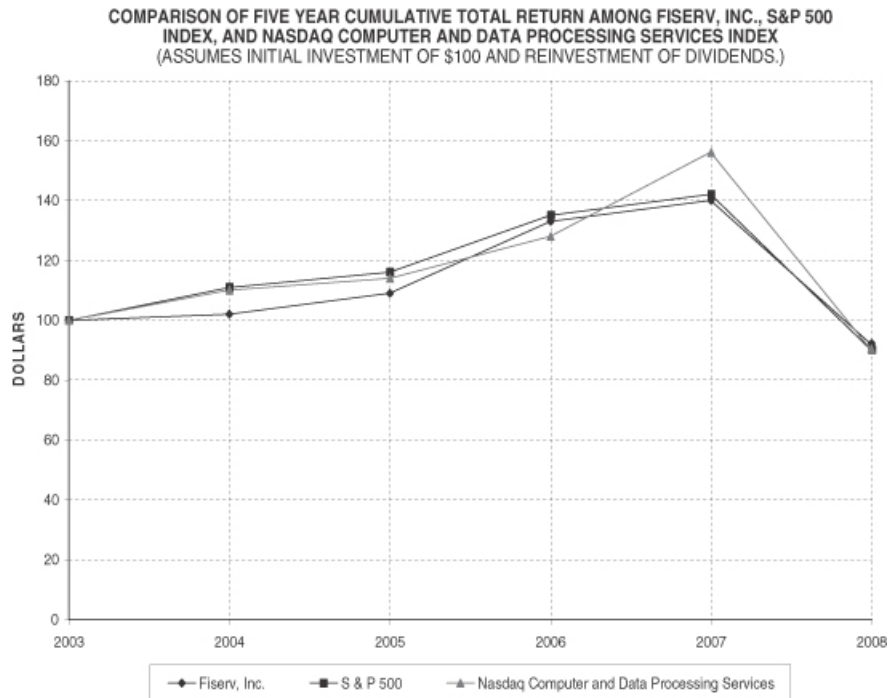
Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
October 1 – 31, 2008	1,149,600	\$ 36.92	1,149,600	5,679,700
November 1 – 30, 2008	3,416,461	\$ 32.74	3,416,461	2,263,239
December 1 – 31, 2008	1,014,944	\$ 32.23	1,014,944	1,248,295
Total	5,581,005		5,581,005	

- (1) On July 2, 2008, we announced that our board of directors authorized the repurchase of up to 10 million shares of our common stock. This repurchase authorization does not expire.

Stock Performance Graph

The stock performance graph and related information presented below is not deemed to be “soliciting material” or to be “filed” with the Securities and Exchange Commission or subject to Regulation 14A or 14C under the Securities Exchange Act of 1934 or to the liabilities of Section 18 of the Securities Exchange Act of 1934, and will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate it by reference into such a filing.

The following graph compares the cumulative total shareholder return on our common stock for the five years ended December 31, 2008 with the S&P 500 Index and the NASDAQ Computer and Data Processing Services Index. The graph assumes that \$100 was invested on December 31, 2003 in our common stock and each index and that all dividends were reinvested. No cash dividends have been declared on our common stock. The comparisons in the graph are required by the Securities and Exchange Commission and are not intended to forecast or be indicative of possible future performance of our common stock.



	December 31,					
	2003	2004	2005	2006	2007	2008
Fiserv, Inc.	\$100	\$102	\$109	\$133	\$140	\$92
S&P 500	100	111	116	135	142	90
Nasdaq Computer and Data Processing Services	100	110	114	128	156	90

Item 6. Selected Financial Data

The following data, which has been affected by acquisitions and dispositions, should be read in conjunction with the consolidated financial statements and related notes thereto included elsewhere in this Annual Report on Form 10-K.

<u>(In millions, except per share data)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Total revenues	<u>\$ 4,739</u>	<u>\$ 3,897</u>	<u>\$ 3,544</u>	<u>\$ 3,229</u>	<u>\$ 2,989</u>
Income from continuing operations	<u>\$ 346</u>	<u>\$ 414</u>	<u>\$ 390</u>	<u>\$ 454</u>	<u>\$ 343</u>
Income from discontinued operations	<u>223</u>	<u>25</u>	<u>60</u>	<u>62</u>	<u>35</u>
Net income	<u>\$ 569</u>	<u>\$ 439</u>	<u>\$ 450</u>	<u>\$ 516</u>	<u>\$ 378</u>
Net income per share—basic:					
Continuing operations	<u>\$ 2.14</u>	<u>\$ 2.48</u>	<u>\$ 2.23</u>	<u>\$ 2.40</u>	<u>\$ 1.76</u>
Discontinued operations	<u>1.37</u>	<u>0.15</u>	<u>0.34</u>	<u>0.33</u>	<u>0.18</u>
Total	<u>\$ 3.51</u>	<u>\$ 2.64</u>	<u>\$ 2.57</u>	<u>\$ 2.74</u>	<u>\$ 1.94</u>
Net income per share—diluted:					
Continuing operations	<u>\$ 2.12</u>	<u>\$ 2.45</u>	<u>\$ 2.20</u>	<u>\$ 2.38</u>	<u>\$ 1.74</u>
Discontinued operations	<u>1.36</u>	<u>0.15</u>	<u>0.34</u>	<u>0.33</u>	<u>0.17</u>
Total	<u>\$ 3.49</u>	<u>\$ 2.60</u>	<u>\$ 2.53</u>	<u>\$ 2.70</u>	<u>\$ 1.91</u>
Total assets	<u>\$ 9,331</u>	<u>\$ 11,846</u>	<u>\$ 6,252</u>	<u>\$ 6,092</u>	<u>\$ 8,383</u>
Long-term debt (including current maturities)	<u>4,105</u>	<u>5,405</u>	<u>745</u>	<u>595</u>	<u>505</u>
Shareholders' equity	<u>2,594</u>	<u>2,467</u>	<u>2,426</u>	<u>2,466</u>	<u>2,564</u>

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

Management's discussion and analysis of financial condition and results of operations is provided as a supplement to our consolidated financial statements and accompanying footnotes to help provide an understanding of our financial condition, the changes in our financial condition and our results of operations. Our discussion is organized as follows:

- *Recent developments.* This section provides a general description of recent events that are important to understanding our results of operations and financial condition.
- *Critical accounting policies.* This section contains a discussion of the accounting policies that we believe are important to our financial condition and results of operations and that require significant judgment and estimates on the part of management in their application. In addition, all of our significant accounting policies, including critical accounting policies, are summarized in Note 1 to the accompanying consolidated financial statements.
- *Recent accounting pronouncements.* This section provides a discussion of recent accounting pronouncements that we believe are important to understanding our results of operations and financial condition.
- *Non-GAAP financial measure.* This section provides a discussion of internal revenue growth, a non-GAAP financial measure that we use in this report.
- *Results of operations.* This section contains an analysis of our results of operations by comparing the results for the year ended December 31, 2008 to the results for the year ended December 31, 2007, and comparing the results for the year ended December 31, 2007 to the results for the year ended December 31, 2006.

- *Liquidity and capital resources.* This section provides an analysis of our cash flows and a discussion of our outstanding debt and commitments as of December 31, 2008.

Recent Developments

On July 14, 2008, we completed the sale of a 51% interest in substantially all of the businesses in our Insurance Services segment (“Fiserv Insurance”) to Trident IV, LP. We recognized an after-tax loss of \$0.34 per share from the sale. This loss on sale was comprised of a pre-tax loss of \$21 million and an income tax provision of \$34 million (\$0.21 per share) which was incurred on sale due to a significantly lower tax basis in the stock compared to the book basis of the net assets sold. Upon closing, we received cash proceeds of approximately \$500 million and a \$30 million note due in 2018. Our remaining 49% ownership interest in Fiserv Insurance is accounted for using the equity method of accounting whereby our investment was established based on our historical basis, is adjusted for our share of undistributed net income or net loss, and is reported within other long-term assets in our consolidated balance sheet. Beginning on July 15, 2008, we no longer consolidate revenues and expenses of Fiserv Insurance and report our 49% share of net income as a separate line item on our consolidated statement of income.

On February 4, 2008, we completed the first of two transactions to dispose of our Investment Support Services segment (“Fiserv ISS”) by selling Fiserv Trust Company and the accounts of our institutional retirement plan and advisor services operations to TD AMERITRADE Online Holdings, Inc. for approximately \$200 million, net of income taxes and transaction costs. In the second transaction, Robert Beriault Holdings, Inc. has agreed to acquire the remaining accounts and net capital of Fiserv ISS, including the investment administration services business which provides back office and custody services for individual retirement accounts. This portion of the Fiserv ISS disposition remains subject to customary closing conditions and regulatory approval by the FDIC.

On January 10, 2008, we completed the sale of a majority of our health businesses (“Fiserv Health”) to UnitedHealthcare Services, Inc. for approximately \$480 million, net of income taxes and transaction costs. The financial results of Fiserv Health and Fiserv ISS are reported as discontinued operations for all periods presented.

Critical Accounting Policies

General

Our consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these consolidated financial statements requires our management to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, revenues and expenses. We continually evaluate the accounting policies and estimates that we use to prepare our consolidated financial statements. We base our estimates on historical experience and assumptions that we believe are reasonable in light of current circumstances. Actual amounts and results could differ materially from these estimates.

Valuation of Goodwill and Acquired Intangible Assets

We are required to allocate the purchase price of acquired businesses to the assets acquired and liabilities assumed in the transaction at their estimated fair values. The estimates used to determine the fair value of long-lived assets, such as intangible assets, can be complex and require a significant amount of judgment. We use the information available to us to make fair value determinations and engage independent valuation specialists, when necessary, to assist in the fair value determination of significant acquired long-lived assets. We are also required to estimate the useful lives of intangible assets to determine the amount of acquisition-related intangible asset amortization expense to record in future periods. We periodically review the estimated useful lives assigned to our definite-lived intangible assets to determine whether such estimated useful lives continue to be appropriate.

We review the carrying value of goodwill and indefinite-lived intangible assets for impairment annually and whenever events or changes in circumstances indicate the carrying value may not be recoverable in accordance with Statement of Financial Accounting Standard (“SFAS”) No. 142, *Goodwill and Other Intangible Assets* (“SFAS 142”). SFAS 142 requires us to perform a two-step impairment test on goodwill. First, we compare the fair value of each reporting unit to its carrying value. We determine the fair value of our reporting units based on the present value of estimated future cash flows. If the fair value of a reporting unit exceeds the carrying value of the unit’s net assets, goodwill is not impaired and further testing is not required. If the carrying value of the reporting unit’s net assets exceeds the fair value of the unit, then we perform the second step of the impairment test to determine the implied fair value of the reporting unit’s goodwill and any impairment charge. Additionally, we estimate the fair value of acquired intangible assets with indefinite lives and compare this amount to the underlying carrying value.

Determining the fair value of a reporting unit or acquired intangible assets with indefinite lives involves judgment and the use of significant estimates and assumptions, which include assumptions regarding the revenue growth rates and operating margins used to calculate estimated future cash flows, risk-adjusted discount rates and future economic and market conditions. Our most recent impairment assessment in the fourth quarter of 2008 determined that the carrying values of goodwill and indefinite-lived intangible assets are not impaired. Given the significance of our goodwill and intangible asset balances, an adverse change in fair value could result in an impairment charge, which could be material to our financial statements.

Revenue Recognition

The majority of our revenues are generated from monthly account and transaction-based fees. Revenue is recognized when the related services have been rendered. Revenues are primarily recognized under service agreements that are long-term in nature, generally three to five years, and that do not require management to make significant judgments or assumptions. Given the nature of our business and the rules governing revenue recognition, our revenue recognition practices do not involve significant estimates that materially affect our results of operations. Additional information about our revenue recognition policies is included in Note 1 to the consolidated financial statements.

Other

We do not participate in, nor have we created, any off-balance sheet variable interest entities or other off-balance sheet financing, other than operating leases. We use derivative financial instruments for managing our exposure to changes in interest rates, managing our ratio of fixed to floating-rate long-term debt and foreign exchange rate risks. We do not enter into any derivative financial instruments for speculative purposes.

Recent Accounting Pronouncements

See Note 1 to our consolidated financial statements for a description of recent accounting pronouncements, including the anticipated adoption dates, which is incorporated herein by reference.

Non-GAAP Financial Measure

In this report, we refer to internal revenue growth percentage, which is a non-GAAP financial measure. We use internal revenue growth percentage to monitor and evaluate our performance, and it is presented in this report because we believe that it allows shareholders to understand the portion of our revenue growth that is attributed to acquired companies as compared to internal revenue growth. This non-GAAP financial measure should not be considered to be a substitute for our reported results prepared in accordance with GAAP. The method that we use to calculate internal revenue growth percentage is not necessarily comparable to similarly titled measures presented by other companies.

Internal revenue growth percentage is measured as the increase or decrease in total revenues for the current period less “acquired revenue from acquisitions” divided by total revenues from the prior period plus “acquired revenue from acquisitions.” “Acquired revenue from acquisitions” represents pre-acquisition revenue of acquired companies for the prior period. Internal revenue growth percentage is calculated as follows:

(In millions)	Years Ended December 31,			
	2008	2007	2007	2006
Financial Segment				
Total revenues	\$2,144	\$2,050	\$2,050	\$1,987
Acquired revenue from acquisitions	—	132	—	16
Total	<u>\$2,144</u>	<u>\$2,182</u>	<u>\$2,050</u>	<u>\$2,003</u>
Internal revenue growth (decline)	\$ (38)		\$ 47	
Internal revenue growth percentage	(2)%		2%	
Payments Segment				
Total revenues	\$2,131	\$1,070	\$1,070	\$ 863
Acquired revenue from acquisitions	—	941	—	120
Total	<u>\$2,131</u>	<u>\$2,011</u>	<u>\$1,070</u>	<u>\$ 983</u>
Internal revenue growth	\$ 120		\$ 87	
Internal revenue growth percentage	6%		9%	

Results of Operations

Business Segments

We acquired CheckFree Corporation (“CheckFree”) on December 3, 2007. In connection with the integration of CheckFree and the significant expansion of our payments related businesses, along with associated organizational changes, we reclassified our reporting segments for all periods presented to align them with how our chief operating decision maker currently manages the business. As a result, effective January 1, 2008, our operations consist of the following business segments: Financial Institution Services (“Financial”), Payments and Industry Products (“Payments”), Insurance Services (“Insurance”) and Corporate and Other. The Financial segment provides banks, thrifts and credit unions with account processing services, item processing services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Payments segment provides products and services that address a range of technology needs for the financial services industry, including: Internet banking, electronic bill payment, electronic funds transfer and debit processing, fraud and risk management capabilities, card and print personalization services, check imaging, and investment account processing services for separately managed accounts. In 2008, we completed the sale of a 51% interest in substantially all of the businesses in the Insurance segment. The Corporate and Other segment primarily consists of unallocated corporate overhead expenses, amortization of acquisition-related intangible assets and intercompany eliminations.

Components of Revenues and Expenses

The following summary describes the components of revenues and expenses as presented in our consolidated statements of income. A description of our revenue recognition policies is included in Note 1 to the consolidated financial statements.

Processing and Services

Processing and services revenues, which in 2008 represented 76% of our consolidated revenues, are primarily generated from account and transaction-based fees under contracts that generally have terms of three to five years. Revenue is recognized when the related transactions are processed and services have been rendered. Processing and services revenues are most reflective of our business performance because a significant amount of our total operating profit is generated by these services. Cost of processing and services includes costs directly

associated with providing services to clients and includes the following: personnel; equipment and data communication; infrastructure costs, including costs to maintain applications; client support; depreciation and amortization; and other operating expenses.

Product

Product revenues, which in 2008 represented 24% of our consolidated revenues, are primarily derived from integrated print and card production, prescription product and software licenses. Prior to our sale of a 51% interest in Fiserv Insurance on July 14, 2008, prescription product revenues were recognized on a gross basis to include the prescription price. Cost of product includes costs directly associated with the products sold and includes the following: costs of materials and prescription products; personnel; infrastructure costs; depreciation and amortization; and other costs directly associated with product revenue.

Selling, General and Administrative Expenses

Selling, general and administrative expenses primarily consist of: salaries, wages and related expenses paid to sales personnel, administrative employees and management; advertising and promotional costs; depreciation and amortization; and other selling and administrative expenses.

Results of Operations

The following table presents certain amounts included in our consolidated statements of income, the relative percentage that those amounts represent to revenues and the change in those amounts from year to year. This information should be read together with the consolidated financial statements and accompanying notes.

(In millions)	Years Ended December 31,									
				Percentage of Revenue ⁽¹⁾			Increase (Decrease)			
	2008	2007	2006	2008	2007	2006	2008 vs. 2007		2007 vs. 2006	
Revenues:										
Processing and services	\$3,616	\$2,668	\$2,466	76.3%	68.5%	69.6%	\$ 948	36%	\$202	8%
Product	1,123	1,229	1,078	23.7%	31.5%	30.4%	(106)	(9)%	151	14%
Total revenues	4,739	3,897	3,544	100%	100%	100%	842	22%	353	10%
Expenses:										
Cost of processing and services	2,099	1,639	1,573	58.0%	61.4%	63.8%	460	28%	66	4%
Cost of product	917	979	839	81.7%	79.7%	77.8%	(62)	(6)%	140	17%
Sub-total	3,016	2,618	2,412	63.6%	67.2%	68.1%	398	15%	206	9%
Selling, general and administrative	833	540	465	17.6%	13.9%	13.1%	293	54%	75	16%
Total expenses	3,849	3,158	2,877	81.2%	81.0%	81.2%	691	22%	281	10%
Operating income	890	739	667	18.8%	19.0%	18.8%	151	20%	72	11%
Interest expense	(260)	(76)	(41)	(5.5)%	(2.0)%	(1.2)%	184	242%	35	85%
Interest income	13	7	—	0.3%	0.2%	—	6	86%	7	—
Loss on sale of businesses	(24)	—	—	(0.5)%	—	—	24	—	—	—
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	<u>\$ 619</u>	<u>\$ 670</u>	<u>\$ 626</u>	<u>13.1%</u>	<u>17.2%</u>	<u>17.7%</u>	<u>\$ (51)</u>	<u>(8)%</u>	<u>\$ 44</u>	<u>7%</u>

(1) Each percentage of revenue is calculated as the relevant revenue, expense, income or loss amount divided by total revenues, except for cost of processing and services and cost of product amounts which are divided by the related component of revenues.

Total Revenues

Years Ended December 31,
(In millions)

	Financial	Payments	Insurance	Corporate and Other	Total
Total revenues:					
2008	\$ 2,144	\$ 2,131	\$ 513	\$ (49)	\$4,739
2007	2,050	1,070	804	(27)	3,897
2006	1,987	863	706	(12)	3,544
2008 Revenue growth (decline)	\$ 94	\$ 1,061	\$ (291)	\$ (22)	\$ 842
2008 Revenue growth (decline) percentage	5%	99%	(36)%		22%
2007 Revenue growth (decline)	\$ 63	\$ 207	\$ 98	\$ (15)	\$ 353
2007 Revenue growth (decline) percentage	3%	24%	14%		10%

Total revenues increased \$842 million, or 22%, in 2008 compared to 2007, and \$353 million, or 10%, in 2007 compared to 2006. The increase in total revenues during 2008 compared to 2007 was primarily the result of increased processing and services revenues from our acquisition of CheckFree in December 2007, partially offset by decreased revenues in our Insurance segment as a result of our sale of a 51% interest in Fiserv Insurance in July 2008. As a result of this transaction, the revenues of Fiserv Insurance are no longer included in our consolidated revenues beginning July 15, 2008, but are included for all historical periods. The increase in total revenues during 2007 compared to 2006 was primarily due to increased prescription product revenues in our Insurance segment and increased processing and services revenues from our acquisition of CheckFree.

Revenues in our Financial segment increased \$94 million, or 5%, in 2008 and \$63 million, or 3%, in 2007 compared to the prior year periods. The revenue increase in 2008 compared to 2007 was primarily due to incremental processing and services revenues from our acquisition of CheckFree. The revenue increase in 2007 compared to 2006 was primarily driven by new client growth and increased sales to existing clients in our banking and credit union account processing businesses. Internal revenue declined 2% in our Financial segment during 2008 and increased 2% in 2007. Internal revenues were negatively impacted by three percentage points and one percentage point in 2008 and 2007, respectively, due to the significant downturn in the U.S. mortgage markets which resulted in a decline in home-equity processing revenues of \$70 million and \$23 million in 2008 and 2007, respectively. In addition, the internal revenue growth rate in our Financial segment during 2008 was negatively impacted by slower discretionary spending by our financial institution clients resulting in reduced higher-margin revenue, such as license fees and associated professional services.

Revenues in our Payments segment increased \$1.06 billion, or 99%, in 2008 and \$207 million, or 24%, in 2007 compared to the prior year periods. These increases were primarily due to incremental processing and services revenue from our acquisition of CheckFree. The internal revenue growth percentages in our Payments segment of 6% and 9% in 2008 and 2007, respectively, were primarily driven by new clients and increased transaction volumes from existing clients in our electronic payments businesses, including our expedited bill payment and electronic funds transfer processing businesses, along with solid growth in our output solutions businesses.

Revenues in our Insurance segment decreased \$291 million, or 36%, in 2008 and increased \$98 million, or 14%, in 2007 compared to the prior year periods. Revenues declined in 2008 compared to 2007 primarily due to our sale of a 51% interest in Fiserv Insurance in July 2008. The revenue increase in 2007 compared to 2006 was primarily due to our acquisition of a workers' compensation transaction processing business in the third quarter of 2007, partially offset by a \$33 million decrease in higher-margin flood claims processing revenues.

Total Expenses

Total expenses increased \$691 million, or 22%, in 2008 and \$281 million, or 10%, in 2007 compared to the prior year periods. The increase in total expenses in 2008 compared to 2007 was primarily due to our acquisition of CheckFree, partially offset by a decrease in expenses in our Insurance segment caused by our sale of a 51% interest in Fiserv Insurance in 2008.

Cost of processing and services as a percentage of processing and services revenue decreased to 58.0% in 2008 from 61.4% in 2007 and 63.8% in 2006. These decreases were primarily due to higher-margin processing revenues associated with our acquisition of CheckFree and overall improvements in operating efficiencies as a result of improved business mix and the implementation of strategic initiatives that lowered our overall cost structure.

Cost of product as a percentage of product revenue increased to 81.7% in 2008 from 79.7% in 2007 and 77.8% in 2006. The increase in 2008 compared to 2007 was primarily due to a \$94 million increase in prescription product costs during the first half of 2008 prior to our sale of a 51% interest in Fiserv Insurance, which generated historical operating margins in the mid-single digits due primarily to the inclusion of prescription product costs in both product revenues and cost of product. In addition, cost of product as a percentage of product revenue in 2008 was negatively impacted by a \$45 million increase in postage pass-through revenue and expenses in our output solutions businesses. The increase in 2007 compared to 2006 was primarily driven by an \$82 million increase in prescription product costs.

Selling, general and administrative expenses increased \$293 million and \$75 million in 2008 and 2007, respectively, compared to the prior year periods and increased as a percentage of revenues to 17.6% in 2008 from 13.9% in 2007 and 13.1% in 2006. The increases in 2008 compared to 2007 were primarily due to our acquisition of CheckFree, partially offset by a decrease in expenses in our Insurance segment resulting from our sale of a 51% interest in that business. As a result of our acquisition of CheckFree, amortization expense for acquired intangible assets included in selling, general and administrative expenses increased by \$79 million in 2008 compared to 2007, and incremental merger costs, including integration project management, retention bonuses and other expenses, were \$37 million and \$8 million in 2008 and 2007, respectively.

Operating Income and Operating Margin

Years Ended December 31, (In millions)	Financial	Payments	Insurance	Corporate and Other	Total
Operating income:					
2008	\$ 535	\$ 579	\$ 44	\$ (268)	\$ 890
2007	515	253	78	(107)	739
2006	421	202	110	(66)	667
Operating income growth (decline):					
2008	\$ 20	\$ 326	\$ (34)	\$ (161)	\$ 151
2008 percentage	4%	129%	(44)%		20%
2007	\$ 94	\$ 51	\$ (32)	\$ (41)	\$ 72
2007 percentage	22%	25%	(29)%		11%
Operating margin:					
2008	24.9%	27.2%	8.7%		18.8%
2007	25.1%	23.6%	9.7%		19.0%
2006	21.2%	23.4%	15.6%		18.8%
Operating margin growth (decline): ⁽¹⁾					
2008	(0.2)%	3.6%	(1.0)%		(0.2)%
2007	3.9%	0.2%	(5.9)%		0.2%

(1) Represents the percentage point improvement or decline in operating margin.

Total operating income increased \$151 million, or 20%, in 2008 compared to 2007. Operating margin decreased 0.2 percentage points to 18.8% in 2008 from 19.0% in 2007. The overall increase in operating income during 2008 was primarily due to our acquisition of CheckFree in December 2007. Our operating margin in 2008 of 18.8% was negatively impacted by an increase in amortization expense for acquired intangible assets and merger and integration costs associated with our acquisition of CheckFree, and by declining operating margins in the Insurance segment. In addition, the strong results in our Payments segment positively impacted overall operating margins, partially offset by the slight negative impact of our Financial segment in 2008.

Total operating income increased \$72 million, or 11%, in 2007 compared to 2006. Operating margin increased 0.2 percentage points to 19.0% in 2007 from 18.8% in 2006. Operating income and margin in 2007 as compared to 2006 were positively impacted by increases in higher-margin revenues in our electronic payments businesses, continued strong operating results in our bank and credit union account processing businesses, the acquisition of CheckFree, and improvements in overall operating efficiencies. These positive factors were partially offset by a decline in operating margin in the Insurance segment, primarily due to a \$33 million decrease in higher-margin flood claims processing revenues.

Operating income in our Financial segment increased \$20 million, or 4%, in 2008 and \$94 million, or 22%, in 2007 compared to the prior year periods. Operating margins were 24.9%, 25.1% and 21.2% in 2008, 2007 and 2006, respectively, and declined 20 basis points in 2008 and increased 390 basis points in 2007. Operating income and margin in 2008 as compared to 2007 were negatively impacted by a \$70 million decline in home-equity processing revenues in our lending business and decreases in higher-margin revenues, such as software license fees and associated professional services. Operating income and margin in 2007 as compared to 2006 increased significantly due primarily to higher-margin revenue growth in our bank and credit union account processing businesses, improved business mix and overall operating efficiencies resulting primarily from the implementation of strategic initiatives that lowered our overall cost structure.

Operating income in our Payments segment increased \$326 million, or 129%, and \$51 million, or 25%, in 2008 and 2007 compared to the prior year periods. Operating margins were 27.2%, 23.6% and 23.4% in 2008, 2007 and 2006, respectively, and increased 360 basis points in 2008 and 20 basis points in 2007. The significant increases in operating income and margin in 2008 compared to 2007 were driven primarily by higher-margin revenues and cost synergies associated with our acquisition of CheckFree, growth in our other electronic payments businesses, such as our expedited bill payment and electronic funds transfer businesses, and improved operating leverage and scale efficiencies in our transaction processing businesses within our Payments segment.

Operating income in our Insurance segment decreased \$34 million, or 44%, in 2008 and \$32 million, or 29%, in 2007 compared to the prior year periods. Operating margins were 8.7%, 9.7% and 15.6% in 2008, 2007 and 2006, respectively, and declined 100 basis points in 2008 and 590 basis points in 2007. The decrease in operating income in 2008 compared to 2007 was primarily due to our sale of a 51% interest in Fiserv Insurance in 2008. The decreases in operating income and margin in 2007 compared to 2006 were primarily due to a \$33 million decrease in higher-margin flood claims processing revenues.

The operating loss in our Corporate and Other segment increased \$161 million in 2008 and \$41 million in 2007 compared to the prior year periods. These increases were primarily due to incremental amortization of acquisition-related intangible assets of \$119 million and \$15 million in 2008 and 2007, respectively, and merger and integration related items associated with our acquisition of CheckFree totaling \$59 million and \$11 million in 2008 and 2007, respectively.

Interest Expense

Interest expense was \$260 million, \$76 million and \$41 million in 2008, 2007 and 2006, respectively. The increases in interest expense were primarily due to the new senior term loan and senior notes borrowings in the fourth quarter of 2007 to finance our \$4.4 billion acquisition of CheckFree.

Interest Income

Interest income was \$13 million, \$7 million and \$0 in 2008, 2007 and 2006, respectively. Interest income in 2008 was primarily earned by investing the proceeds from our business dispositions. Interest income in 2007 was primarily earned by investing the proceeds from the senior notes borrowings during the period from our receipt of the proceeds until we completed the acquisition of CheckFree.

Loss on Sale of Businesses

In 2008, we recognized a \$24 million pre-tax loss which was primarily due to our sale of a 51% interest in Fiserv Insurance.

Income Tax Provision

Our effective income tax rate for continuing operations was 45.1% in 2008, 38.2% in 2007 and 37.8% in 2006. The higher effective income tax rate in 2008 was primarily due to a \$34 million income tax provision related to our sale of a 51% interest in Fiserv Insurance which was due to a significantly lower tax basis in the stock compared to the book basis of the net assets sold. The tax provision related to sale of businesses increased the effective income tax rate in 2008 by 6.9 percentage points, from 38.2% to 45.1%. We expect that our income tax rate for continuing operations will be approximately 38.5% in 2009.

Income from Investment in Unconsolidated Affiliate

Due to our sale of a 51% interest in Fiserv Insurance in July 2008, we record our 49% share of Fiserv Insurance's net income, \$6 million in 2008, as income from investment in unconsolidated affiliate.

Income from Discontinued Operations

Income from discontinued operations totaled \$223 million, \$25 million and \$60 million in 2008, 2007 and 2006, respectively. The increase in income from discontinued operations in 2008 compared to 2007 was primarily due to after-tax gains of \$230 million related to the sales of a portion of Fiserv ISS and all of Fiserv Health. The decrease in income from discontinued operations in 2007 compared to 2006 was primarily due to sale related expenses.

Net Income Per Share—Diluted

Net income per share-diluted for 2008 was \$3.49 compared to \$2.60 in 2007 and \$2.53 in 2006. Net income per share-diluted from continuing operations was \$2.12 in 2008 compared to \$2.45 in 2007 and \$2.20 in 2006. Net income per share-diluted from continuing operations in 2008 compared to 2007 was negatively impacted by a \$0.46 per share increase in amortization expense related to acquired intangible assets, a \$0.35 per share after-tax loss on the sale of businesses which includes the sale of a 51% interest in Fiserv Insurance, and \$0.14 per share due to an increase in merger and integration costs associated with our acquisition of CheckFree, partially offset by a decrease in facility shutdown and related costs that were incurred in 2007.

Liquidity and Capital Resources

Our primary liquidity needs are: (i) to fund normal operating expenses; (ii) to meet the principal and interest requirements of our outstanding indebtedness; and (iii) to fund capital expenditures and operating lease payments. We believe these needs will be satisfied using cash flows generated by operations, our cash and cash equivalents at December 31, 2008 of \$232 million and available borrowings under our revolving credit facility of \$784 million.

(In millions)	Years Ended December 31,		Increase (Decrease)	
	2008	2007	\$	%
Income from continuing operations	\$346	\$414	\$ (68)	
Depreciation and amortization	362	186	176	
Share-based compensation	34	23	11	
Loss on sale of businesses	24	—	24	
Income from investment in unconsolidated affiliate	(6)	—	(6)	
Settlement of interest rate hedge contracts	—	(30)	30	
Net changes in working capital and other	15	(28)	43	
Operating cash flow	\$775	\$565	\$210	37%

Our net cash provided by operating activities from continuing operations, or operating cash flow, increased \$210 million, or 37%, to \$775 million in 2008 from \$565 million in 2007. This significant increase was primarily due to strong operating cash flow associated with our acquisition of CheckFree and overall improvements in working capital of \$43 million. Depreciation and amortization increased \$176 million in 2008 primarily due to a \$119 million increase in intangible amortization associated with acquisitions. Our current policy is to use our operating cash flow primarily to repay debt and fund capital expenditures, rather than to pay dividends. Our capital expenditures increased \$43 million to \$199 million in 2008 compared to \$156 million in 2007, due primarily to capital expenditures associated with CheckFree. Our capital expenditures were less than 5% of total revenues in 2008.

Share Repurchases

We purchased \$441 million, \$469 million and \$560 million of our common stock in 2008, 2007 and 2006, respectively. On July 2, 2008, we announced that our board of directors authorized the repurchase of up to 10 million shares of our common stock. Shares repurchased are generally held for issuance in connection with our equity plans. As of December 31, 2008, we had 1.2 million shares remaining under our authorization.

Indebtedness

(In millions)	December 31,	
	2008	2007
Long-term debt (including current maturities)	\$ 4,105	\$ 5,405

In 2008, we used our operating cash flow and the proceeds from business dispositions primarily to repay \$1.3 billion of debt, which reduced our outstanding debt (including current maturities) to \$4.1 billion at December 31, 2008. Our long-term debt currently consists primarily of \$2.25 billion under our unsecured senior term loan facility, \$1.75 billion under senior notes borrowings, and \$100 million under our \$900 million revolving credit facility. We were in compliance with all debt covenants in 2008.

Revolving Credit Facility

We maintain a \$900 million unsecured revolving credit facility with a syndicate of banks. The facility bears interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate. There are no significant commitment fees or compensating balance requirements under this facility. The revolving credit

facility, as amended, contains various restrictions and covenants that require us, among other things, to limit our consolidated indebtedness to no more than a specified multiple (ranging between 3.5 and 4.5) of consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments, and to maintain consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments of at least three times consolidated interest expense. The facility expires on March 24, 2011. The weighted-average variable interest rate on revolving credit facility borrowings was 1.9% at December 31, 2008. At December 31, 2008, our outstanding borrowings on this facility were \$100 million and available borrowings were \$784 million.

Senior Term Loan

In December 2007, we borrowed \$2.5 billion under an unsecured senior term loan facility with a syndicate of banks. This term loan bears interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate and matures in November 2012. A scheduled principal payment of \$250 million is due in December 2009, payments of \$375 million are due in December 2010 and 2011, and the remaining principal of \$1.25 billion is due in November 2012. The weighted-average variable interest rate on the term loan borrowings was 2.1% at December 31, 2008. The term loan facility contains various restrictions and covenants substantially similar to those contained in the revolving credit facility described above.

Senior Notes

In November 2007, we issued \$1.25 billion of 6.125% senior notes due in November 2012 and \$500 million of 6.8% senior notes due in November 2017, which pay interest at the stated rate on May 20 and November 20 of each year. The interest rates applicable to these notes are subject to an increase of up to two percent in the event that our credit rating is downgraded below investment grade. The indenture governing the senior notes contains covenants that, among other matters, limit: our ability to consolidate or merge into, or convey, transfer or lease all or substantially all of our properties and assets to, another person; our ability to create or assume liens; and our ability to engage in sale and leaseback transactions.

Interest Rate Hedge Contracts

To manage exposure to fluctuations in interest rates, we maintain a series of interest rate swap agreements ("Swaps") with total notional values of \$1.75 billion at December 31, 2008. The Swaps effectively fix interest rates on floating rate term loan borrowings at a weighted-average rate of approximately 4.5% prior to financing spreads and related fees. The Swaps have expiration dates through September 2012.

Shelf Registration Statement

In 2007, we filed a "shelf" registration statement with the Securities and Exchange Commission. Under the registration statement, we may sell common stock, preferred stock and debt securities, or a combination thereof. Each time we sell securities pursuant to the shelf registration statement, we will provide a prospectus supplement that will contain specific information about the terms of the securities being offered and of the offering. We may offer and sell the securities pursuant to this prospectus from time to time in one or more of the following ways: through underwriters or dealers, through agents, directly to purchasers or through a combination of any of these methods of sales. Proceeds from the sale of these securities may be used to repay indebtedness or for working capital, acquisitions or general corporate purposes.

Other

Access to capital markets impacts our cost of capital, our ability to refinance maturing indebtedness and our ability to fund future acquisitions. Our ability to access capital on favorable terms depends on various factors, including general market conditions, interest rates, credit ratings on our debt securities, perception of our potential future earnings and the market price of our common stock. As of December 31, 2008, we had a credit rating of Baa2 with a stable outlook from Moody's Investors Service, Inc. ("Moody's") and BBB with a negative outlook from Standard & Poor's Ratings Services ("S&P") on our senior unsecured debt securities.

The interest rate payable on our senior notes is subject to adjustment from time to time if Moody's or S&P downgrades (or subsequently upgrades) the debt rating applicable to the notes. If the ratings from Moody's or S&P decrease below investment grade, the per annum interest rate on the notes is subject to increase by up to 2.0%. In no event will the per annum interest rate be reduced below the original interest rate applicable to the senior notes or will the total increase in the per annum interest rate exceed 2.0% above the original interest rate. The interest rates on any series of notes will permanently cease to be subject to any adjustment if the notes becomes rated A3 (or its equivalent) or higher by Moody's and A- (or its equivalent) or higher by S&P, in each case with a stable or positive outlook.

Off-Balance Sheet Arrangements and Contractual Obligations

We do not have any material off-balance sheet arrangements. The interest component of long-term debt obligations and minimum operating lease payments are reported on a pre-tax basis. The following table details our contractual cash obligations at December 31, 2008:

<u>(In millions)</u>	<u>Total</u>	<u>Less than 1 year</u>	<u>1-3 years</u>	<u>3-5 years</u>	<u>More than 5 years</u>
Long-term debt including interest	\$5,051	\$ 471	\$ 1,243	\$ 2,701	\$ 636
Minimum operating lease payments	337	94	132	67	44
Purchase obligations	26	20	5	1	—
Income tax obligations	77	19	47	7	4
Total	<u>\$5,491</u>	<u>\$ 604</u>	<u>\$ 1,427</u>	<u>\$ 2,776</u>	<u>\$ 684</u>

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk refers to the risk that a change in the level of one or more market prices, interest rates, currency exchange rates, indices, correlations or other market factors, such as liquidity, will result in losses for a certain financial instrument or group of financial instruments. We are exposed primarily to interest rate risk and market price risk on investments and borrowings and foreign currency risk. We actively monitor these risks through a variety of control procedures involving senior management.

In connection with processing electronic payments transactions, the funds we receive from subscribers are invested from the time we collect the funds until payments are made to the applicable merchants. These subscriber funds are generally invested in short-term instruments that are guaranteed by the United States government. Subscriber funds, which are not included in our consolidated balance sheets, can fluctuate significantly based on consumer bill payment activity, and totaled approximately \$1.1 billion as of December 31, 2008. Based upon interest rates and subscriber funds balances at December 31, 2008, a 1% increase or decrease in interest rates would increase or decrease our annual income from continuing operations by approximately \$10 million.

Fiserv ISS, which is included in discontinued operations, is a custodian of self-directed individual retirement accounts. It accepts retirement account deposits from clients and invests the funds in securities, substantially all of which are rated within the highest investment grade categories for securities. Fiserv ISS utilizes simulation models for measuring and monitoring interest rate risk and market value of portfolio equities. A formal Asset Liability Committee meets quarterly to review interest rate risks, capital ratios, liquidity levels, portfolio diversification, credit risk ratings and adherence to investment policies and guidelines. We do not believe significant changes in interest rates would have a material impact on our operating results from discontinued operations or our financial condition.

We manage our debt structure and interest rate risk through the use of fixed and floating-rate debt and through the use of interest rate hedge contracts. We currently use interest rate swaps to partially hedge our exposure to interest rate changes and to control financing costs. Generally, under these swaps, we agree with a

counter-party to exchange the difference between fixed-rate and floating-rate interest amounts based on an agreed notional amount. Based on our long-term debt with variable interest rates as of December 31, 2008, a 1% increase in our borrowing rate would increase annual interest expense in 2009 by approximately \$10 million. We believe the risks associated with financial instruments at December 31, 2008 will not have a material effect on our consolidated financial position or results of operations.

We conduct business in the U.S. and in foreign countries and are exposed to foreign currency risk from changes in the value of underlying assets and liabilities of our non-U.S. denominated foreign investments and foreign currency transactions. Risk can be estimated by measuring the impact of a near-term adverse movement of 10% in foreign currency rates against the U.S. dollar. If these rates were 10% higher or lower at December 31, 2008, there would not have been a material adverse impact on our results of operations or financial position.

Item 8. Financial Statements and Supplementary Data

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FISERV, INC.
CONSOLIDATED STATEMENTS OF INCOME

In millions, except per share data

Years ended December 31,

	2008	2007	2006
Revenues:			
Processing and services	\$3,616	\$2,668	\$2,466
Product	1,123	1,229	1,078
Total revenues	<u>4,739</u>	<u>3,897</u>	<u>3,544</u>
Expenses:			
Cost of processing and services	2,099	1,639	1,573
Cost of product	917	979	839
Selling, general and administrative	833	540	465
Total expenses	<u>3,849</u>	<u>3,158</u>	<u>2,877</u>
Operating income	890	739	667
Interest expense	(260)	(76)	(41)
Interest income	13	7	—
Loss on sale of businesses	(24)	—	—
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	619	670	626
Income tax provision	(279)	(256)	(236)
Income from investment in unconsolidated affiliate, net of income taxes	6	—	—
Income from continuing operations	346	414	390
Income from discontinued operations, net of income taxes	223	25	60
Net income	<u>\$ 569</u>	<u>\$ 439</u>	<u>\$ 450</u>
Net income per share—basic:			
Continuing operations	\$ 2.14	\$ 2.48	\$ 2.23
Discontinued operations	1.37	0.15	0.34
Total	<u>\$ 3.51</u>	<u>\$ 2.64</u>	<u>\$ 2.57</u>
Net income per share—diluted:			
Continuing operations	\$ 2.12	\$ 2.45	\$ 2.20
Discontinued operations	1.36	0.15	0.34
Total	<u>\$ 3.49</u>	<u>\$ 2.60</u>	<u>\$ 2.53</u>
Shares used in computing net income per share:			
Basic	162.0	166.6	175.0
Diluted	163.1	168.8	177.5

See accompanying notes.

FISERV, INC.
CONSOLIDATED BALANCE SHEETS

Dollars in millions
December 31,

	2008	2007
ASSETS		
Cash and cash equivalents	\$ 232	\$ 297
Trade accounts receivable, less allowance for doubtful accounts	601	836
Deferred income taxes	71	71
Prepaid expenses and other current assets	295	353
Assets of discontinued operations held for sale	946	2,683
Total current assets	<u>2,145</u>	<u>4,240</u>
Property and equipment, net	303	370
Intangible assets, net	2,121	2,299
Goodwill	4,409	4,808
Other long-term assets	353	129
Total assets	<u>\$ 9,331</u>	<u>\$11,846</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade accounts payable	\$ 101	\$ 181
Accrued expenses	522	597
Deferred revenues	338	351
Current maturities of long-term debt	255	510
Liabilities of discontinued operations held for sale	831	2,112
Total current liabilities	<u>2,047</u>	<u>3,751</u>
Long-term debt	3,850	4,895
Deferred income taxes	530	574
Other long-term liabilities	310	159
Total liabilities	<u>6,737</u>	<u>9,379</u>
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Preferred stock, no par value: 25.0 million shares authorized; none issued	—	—
Common stock, \$0.01 par value: 450.0 million shares authorized; 197.9 million and 198.1 million shares issued	2	2
Additional paid-in capital	706	700
Accumulated other comprehensive loss	(120)	(41)
Accumulated earnings	3,895	3,326
Treasury stock, at cost, 42.0 million and 33.0 million shares	(1,889)	(1,520)
Total shareholders' equity	<u>2,594</u>	<u>2,467</u>
Total liabilities and shareholders' equity	<u>\$ 9,331</u>	<u>\$11,846</u>

See accompanying notes.

FISERV, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

In millions	Common Stock		Additional Paid-In Capital	Comprehensive Income	Accumulated Other Comprehensive Loss	Accumulated Earnings	Treasury Stock	
	Shares	Amount					Shares	Amount
Balance at December 31, 2005	198	\$ 2	\$ 694		\$ 1	\$ 2,437	16	\$ (668)
Net income				\$ 450		450		
Fair market value adjustment on cash flow hedges and other, net of tax				1	1			
Comprehensive income				<u>\$ 451</u>				
Adjustment to adopt SFAS No. 158, net of tax					(2)			
Share-based compensation			28					
Shares issued under stock plans including income tax benefits			(22)				(2)	75
Purchase of treasury stock							13	(570)
Balance at December 31, 2006	198	2	700		—	2,887	27	(1,163)
Net income				\$ 439		439		
Foreign currency translation and other				5	5			
Fair market value adjustment on cash flow hedges, net of tax				(46)	(46)			
Comprehensive income				<u>\$ 398</u>				
Share-based compensation			26					
Shares issued under stock plans including income tax benefits			(26)				(2)	103
Purchase of treasury stock							8	(460)
Balance at December 31, 2007	198	2	700		(41)	3,326	33	(1,520)
Net income				\$ 569		569		
Foreign currency translation and other				(14)	(14)			
Unrealized loss on investments, net of tax				(5)	(5)			
Fair market value adjustment on cash flow hedges, net of tax				(71)	(71)			
Reclassification adjustment for net realized losses on cash flow hedges included in interest expense, net of tax				11	11			
Comprehensive income				<u>\$ 490</u>				
Share-based compensation			34					
Shares issued under stock plans including income tax benefits			(28)				(2)	72
Purchase of treasury stock							11	(441)
Balance at December 31, 2008	<u>198</u>	<u>\$ 2</u>	<u>\$ 706</u>		<u>\$ (120)</u>	<u>\$ 3,895</u>	<u>42</u>	<u>\$(1,889)</u>

See accompanying notes.

FISERV, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

In millions Years ended December 31,	2008	2007	2006
Cash flows from operating activities:			
Net income	\$ 569	\$ 439	\$ 450
Adjustment for discontinued operations	(223)	(25)	(60)
Adjustments to reconcile net income to net cash provided by operating activities from continuing operations:			
Deferred income taxes	(4)	20	14
Share-based compensation	34	23	26
Excess tax benefit from exercise of stock options	(2)	(12)	(10)
Loss on sale of businesses	24	—	—
Income from investment in unconsolidated affiliate	(6)	—	—
Settlement of interest rate hedge contracts	—	(30)	—
Amortization of acquisition-related intangible assets	158	39	24
Depreciation and other amortization	204	147	143
Changes in assets and liabilities, net of effects from acquisitions and dispositions:			
Trade accounts receivable	(27)	(35)	(54)
Prepaid expenses and other assets	(7)	(32)	(13)
Trade accounts payable and other liabilities	44	23	11
Deferred revenues	11	8	10
Net cash provided by operating activities from continuing operations	<u>775</u>	<u>565</u>	<u>541</u>
Cash flows from investing activities:			
Capital expenditures, including capitalization of software costs	(199)	(156)	(160)
Payment for acquisitions of businesses, net of cash acquired	(85)	(4,333)	(187)
Proceeds from sale of businesses, net of cash sold and expenses paid	498	—	—
Other investing activities	(8)	19	(1)
Net cash provided by (used in) investing activities from continuing operations	<u>206</u>	<u>(4,470)</u>	<u>(348)</u>
Cash flows from financing activities:			
(Repayments of) proceeds from revolving credit facility, net	(740)	285	144
Repayments of long-term debt	(563)	(71)	(16)
Proceeds from long-term debt	—	4,248	10
Issuance of stock for employee stock plans	37	50	36
Purchases of treasury stock	(441)	(469)	(560)
Excess tax benefit from exercise of stock options	2	12	10
Deferred financing costs	(1)	(24)	—
Other financing activities	(7)	(7)	3
Net cash (used in) provided by financing activities from continuing operations	<u>(1,713)</u>	<u>4,024</u>	<u>(373)</u>
Net change in cash and cash equivalents from continuing operations	(732)	119	(180)
Net cash transactions transferred from discontinued operations	667	62	150
Beginning balance	297	116	146
Ending balance	<u>\$ 232</u>	<u>\$ 297</u>	<u>\$ 116</u>
Discontinued operations cash flow information:			
Net cash (used in) provided by operating activities	\$ (321)	\$ 97	\$ 94
Net cash provided by investing activities	831	116	87
Net cash provided by (used in) financing activities	44	(58)	—
Net change in cash and cash equivalents from discontinued operations	554	155	181
Net cash transactions transferred to continuing operations	(667)	(62)	(150)
Beginning balance—discontinued operations	149	56	25
Ending balance—discontinued operations	<u>\$ 36</u>	<u>\$ 149</u>	<u>\$ 56</u>

See accompanying notes.

Notes to Consolidated Financial Statements
For the years ended December 31, 2008, 2007 and 2006

1. Summary of Significant Accounting Policies

Description of the Business

Fiserv, Inc. and its subsidiaries (collectively, the “Company”) provide integrated information management and electronic commerce systems and services, including transaction processing, electronic bill payment and presentment, business process outsourcing, document distribution services, and software and systems solutions. The Company’s operations are primarily in the United States and consist of the following business segments: Financial Institution Services (“Financial”), Payments and Industry Products (“Payments”), Insurance Services (“Insurance”) and Corporate and Other. The Financial segment provides banks, thrifts and credit unions with account processing services, item processing services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Payments segment provides products and services that address a range of technology needs for the financial services industry, including: Internet banking, electronic bill payment, electronic funds transfer and debit processing, fraud and risk management capabilities, card and print personalization services, check imaging, and investment account processing services for separately managed accounts. In 2008, the Company completed the sale of a 51% interest in substantially all of the businesses in the Insurance segment as discussed in Note 3. The Corporate and Other segment primarily consists of unallocated corporate overhead expenses, amortization of acquisition-related intangible assets and intercompany eliminations.

On January 10, 2008, the Company completed the sale of a majority of its health businesses (“Fiserv Health”) to UnitedHealthcare Services, Inc. The Company also completed the sale of the majority of its Investment Support Services segment (“Fiserv ISS”) to TD AMERITRADE Online Holdings, Inc. on February 4, 2008. The financial results of Fiserv Health, Fiserv ISS and the other dispositions discussed in Note 4 are reported as discontinued operations for all periods presented.

Principles of Consolidation

The consolidated financial statements include the accounts of Fiserv, Inc. and all majority owned subsidiaries. Investments in less than 50% owned affiliates in which the Company has significant influence are accounted for using the equity method of accounting. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

New Accounting Pronouncements

In December 2007, the Financial Accounting Standards Board (the “FASB”) issued Statement of Financial Accounting Standard (“SFAS”) No. 141 (revised 2007), *Business Combinations* (“SFAS 141(R)”), which replaces SFAS No. 141, *Business Combinations* (“SFAS 141”). SFAS 141(R) generally retains the underlying concepts of SFAS 141 because it requires all business combinations to be accounted for at fair value under the acquisition method of accounting, but it changes how the acquisition method of accounting is applied in a number of significant aspects. Acquisition costs will be expensed as incurred; contingent consideration will be recorded at fair value on the date of acquisition; restructuring costs associated with a business combination will be expensed subsequent to the acquisition date; and changes in deferred tax asset valuation allowances and

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

income tax uncertainties after the acquisition date will affect the income tax provision. SFAS 141(R) is effective on a prospective basis for all of the Company's business combinations on or after January 1, 2009, with the exception of the accounting for valuation allowances on deferred taxes and acquired tax contingencies. The Company does not expect that the adoption of SFAS 141(R) will have a material impact on the accounting for business combinations with an acquisition date prior to January 1, 2009.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51* ("SFAS 160"). SFAS 160 is effective for fiscal years beginning on or after December 15, 2008 and requires the recognition of a noncontrolling interest (minority interest) as equity in the consolidated financial statements. The amount of net income attributable to the noncontrolling interest will be included in consolidated net income. The Company does not expect that the adoption of SFAS 160 will have a material impact on its financial statements.

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities* ("SFAS 161"). SFAS 161 requires specific disclosures about derivative instruments in the financial statements; how derivative instruments are accounted for; and how derivative instruments affect an entity's financial position, financial performance, and cash flows. SFAS 161 is effective for fiscal years and interim periods beginning after November 15, 2008. The Company does not expect that the adoption of SFAS 161 will have a material impact on its financial statements.

Fair Value Measurements

The Company adopted SFAS No. 157, *Fair Value Measurements* ("SFAS 157"), on January 1, 2008 as it relates to financial assets and liabilities. SFAS 157 is effective for the Company's nonfinancial assets and liabilities on January 1, 2009. The Company does not expect that the adoption of SFAS 157 will have a material impact on its financial statements. SFAS 157 applies to other accounting pronouncements that require or permit fair value measurements, defines fair value based upon an exit price model, establishes a framework for measuring fair value, and expanded the applicable disclosure requirements. SFAS 157 indicates, among other things, that a fair value measurement assumes that a transaction to sell an asset or transfer a liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability.

The fair values of cash equivalents, trade accounts receivable, settlement assets and obligations, trade accounts payable, and accrued expenses approximate the carrying values due to the short period of time to maturity. The fair value of long-term debt is described in Note 5 and is estimated using discounted cash flows based on the Company's current incremental borrowing rates or quoted prices in active markets. SFAS 157 established a fair value hierarchy for the pricing inputs used to measure fair value. The Company's other assets and liabilities which are measured at fair value are classified in the following categories:

Level 1—At December 31, 2008, the fair values of available-for-sale investments in asset-backed securities of \$15 million were based on quoted prices in active markets for identical instruments as of the reporting date.

Level 2—At December 31, 2008, the fair values of available-for-sale investments in asset-backed securities of \$10 million and liabilities for interest rate hedge contracts of \$138 million were based on valuation models for which pricing inputs were either directly or indirectly observable as of the reporting date.

Level 3—The Company purchased available-for-sale investments for \$34 million during the first quarter of 2008 and sold \$7 million of these investments in the fourth quarter of 2008. At December 31, 2008, these investments are reported in other long-term assets and were valued at \$24 million based on valuation models with unobservable pricing inputs and management estimates. The unrealized loss of \$3 million was recorded in other comprehensive income during 2008.

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

Derivative Instruments

The Company accounts for derivative instruments in accordance with SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities* (“SFAS 133”), as amended and interpreted. Derivative instruments are recorded on the balance sheet as either an asset or liability measured at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative are recognized in earnings. To the extent the hedge is effective, there is an offsetting adjustment to the basis of the item being hedged. If the derivative is designated as a cash flow hedge, the effective portions of the changes in the fair value of the derivative are recorded as a component of accumulated other comprehensive loss and recognized in the consolidated statements of income when the hedged item affects earnings. Ineffective portions of changes in the fair value of hedges are recognized in earnings. The Company’s policy is to enter into derivative financial instruments with creditworthy institutions and not to enter into such instruments for speculative purposes.

Foreign Currency

Foreign currency denominated assets and liabilities, where the functional currency is the local currency, are translated into U.S. dollars at the exchange rates in effect at the balance sheet date. Revenues and expenses are translated at the average exchange rates during the period. Gains and losses from foreign currency translation are recorded as a separate component of accumulated other comprehensive loss.

Revenue Recognition

Processing and services revenues are primarily derived from account and transaction-based fees for data processing, transaction processing, electronic billing and payment services, electronic funds transfer and debit processing services, consulting services and software maintenance fees, and are recognized as the related services are provided. Software maintenance fee revenues for ongoing client support are recognized ratably over the term of the applicable support period, which is generally 12 months. Deferred revenues consist primarily of advance billings for services and are recognized as revenue when the services are provided.

Product revenues are primarily derived from integrated print and card production sales and software licenses. The Company recognizes product revenues, such as software license sales, which represent less than 5% of total revenues, when written contracts are signed, delivery of the product has occurred, the fee is fixed or determinable, and collection is probable. Prior to the Company’s sale of a 51% interest in Fiserv Insurance on July 14, 2008, product revenues also included prescription product revenues which were recognized on a gross basis to include the prescription price.

The Company includes reimbursements from clients, such as postage and telecommunication costs, in processing and services revenue, product revenue, cost of processing and services, and cost of product in accordance with Emerging Issues Task Force No. 01-14, *Income Statement Characterization of Reimbursements Received for ‘Out-of-Pocket’ Expenses Incurred*.

Selling, General and Administrative Expenses

Selling, general and administrative expenses primarily consist of: salaries, wages and related expenses paid to sales personnel, administrative employees and management; advertising and promotional costs; amortization of certain intangible assets; and other selling and administrative expenses.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and investments with original maturities of 90 days or less.

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

Allowance for Doubtful Accounts

The Company analyzes trade accounts receivable by considering historical bad debts, client creditworthiness, current economic trends, changes in client payment terms and collection trends when evaluating the adequacy of the allowance for doubtful accounts. Any change in the assumptions used in analyzing a specific account receivable may result in an additional allowance for doubtful accounts being recognized in the period in which the change occurs. The allowance for doubtful accounts was \$12 million and \$63 million at December 31, 2008 and 2007, respectively. The decrease was primarily due to the Company's sale of a majority interest in Fiserv Insurance in 2008.

Settlement Assets and Obligations

Settlement assets of \$137 million and \$179 million were included in prepaid expenses and other current assets at December 31, 2008 and 2007, respectively, and settlement obligations of \$134 million and \$177 million were included in accrued expenses at December 31, 2008 and 2007, respectively. Settlement assets and obligations represent amounts receivable from the Company's agents and clients and amounts payable to agents and clients primarily associated with the Company's walk-in bill payment service business. The majority of these assets and obligations result from timing differences between agents collecting funds from consumers making payments and depositing the funds collected into the Company's bank accounts. These timing differences are typically less than seven days. Settlement assets and obligations arise due to the reporting of transactions to clients prior to fulfilling the payment obligation.

Property and Equipment

Property and equipment are reported at cost. Depreciation of property and equipment is computed primarily using the straight-line method over the shorter of the estimated useful life of the asset or the leasehold period, if applicable. Property and equipment consisted of the following at December 31:

<u>(In millions)</u>	<u>Estimated Useful Lives</u>	<u>2008</u>	<u>2007</u>
Land	—	\$ 23	\$ 19
Data processing equipment	3 to 7 years	435	458
Buildings and leasehold improvements	5 to 40 years	164	151
Furniture and equipment	3 to 10 years	154	198
		776	826
Less: accumulated depreciation and amortization		(473)	(456)
Total		<u>\$ 303</u>	<u>\$ 370</u>

Depreciation expense for all property and equipment totaled \$119 million, \$77 million and \$69 million in 2008, 2007 and 2006, respectively.

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

Intangible Assets

Intangible assets consisted of the following at December 31:

2008 (In millions)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer related intangible assets	\$ 1,641	\$ 165	\$ 1,476
Acquired software and technology	337	57	280
Trade names	140	9	131
Capitalized software development costs	593	439	154
Purchased software	305	225	80
Total	<u>\$ 3,016</u>	<u>\$ 895</u>	<u>\$ 2,121</u>

2007 (In millions)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer related intangible assets	\$ 1,674	\$ 75	\$ 1,599
Acquired software and technology	410	48	362
Trade names	139	4	135
Capitalized software development costs	558	419	139
Purchased software	276	212	64
Total	<u>\$ 3,057</u>	<u>\$ 758</u>	<u>\$ 2,299</u>

Customer related intangible assets represent customer contracts and relationships obtained as part of acquired businesses and are amortized over their estimated useful lives, generally 10 to 20 years. Acquired software and technology represents software and technology intangible assets acquired as part of acquired businesses and is amortized over their estimated useful lives, generally four to eight years. Trade names determined to have indefinite lives are not amortized, in accordance with the provisions of SFAS No. 142, *Goodwill and Other Intangible Assets*, and trade names determined to have finite useful lives are amortized over their estimated remaining useful lives, generally five years. Amortization expense for acquired intangible assets, which include customer related intangible assets, acquired software and technology, and trade names, totaled \$158 million, \$39 million and \$24 million in 2008, 2007 and 2006, respectively. This increase was primarily due to the Company's acquisition of CheckFree Corporation ("CheckFree") in December 2007. The Company estimates that annual amortization expense with respect to acquired intangible assets will be approximately \$150 million in 2009 through 2011 and \$130 million in 2012 and 2013.

Capitalized software development costs represent the capitalization of certain costs incurred to develop new software or to enhance existing software which is marketed externally or utilized by the Company to process client transactions. Costs are capitalized commencing when the technological feasibility of the software has been established. Routine maintenance of software products, design costs and development costs incurred prior to establishment of a product's technological feasibility are expensed as incurred. Capitalized software development costs are amortized over their estimated useful lives which is generally five years. Gross software development costs capitalized for new products and enhancements to existing products totaled \$74 million, \$54 million and \$51 million in 2008, 2007 and 2006, respectively. Amortization of previously capitalized development costs was \$44 million, \$38 million and \$43 million in 2008, 2007 and 2006, respectively.

Purchased software represents software licenses purchased from third parties and is amortized over the estimated useful lives, generally three to five years. Amortization of purchased software totaled \$31 million, \$32 million and \$31 million in 2008, 2007 and 2006, respectively.

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

Goodwill

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired and liabilities assumed in a business combination. The Company reviews, on an annual basis, or more frequently if circumstances indicate possible impairment, the carrying value of goodwill by comparing reporting unit carrying values to estimated fair values. Based on the Company's annual impairment assessment in the fourth quarter of 2008, no impairment was identified. The changes in goodwill during 2008 and 2007 were as follows:

<u>(In millions)</u>	<u>Financial</u>	<u>Payments</u>	<u>Insurance</u>	<u>Total</u>
Goodwill balance—December 31, 2006	\$ 794	\$ 724	\$ 455	\$1,973
Acquisitions	475	2,365	(5)	2,835
Goodwill balance—December 31, 2007	1,269	3,089	450	4,808
Acquisitions	32	19	—	51
Sale of businesses	—	—	(450)	(450)
Goodwill balance—December 31, 2008	<u>\$ 1,301</u>	<u>\$ 3,108</u>	<u>\$ —</u>	<u>\$4,409</u>

Impairment of Long-Lived Assets

The Company assesses the likelihood of recovering the cost of long-lived assets based on current and projected operating results and cash flows of the related business operations using an undiscounted cash flow analysis. These factors, along with management's plans with respect to operations, are considered whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in assessing the recoverability of property and equipment and intangible assets. Measurement of any impairment loss is based on estimated fair value.

Deferred Financing Costs

The Company has recorded deferred financing costs totaling \$25 million related to its senior term loan and senior notes borrowings. Accumulated amortization was \$7 million and \$1 million at December 31, 2008 and 2007, respectively. Deferred financing costs are reported in other long-term assets and are amortized over the term of the underlying debt using the interest method.

Accrued Expenses

Accrued expenses consisted of the following at December 31:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Accrued compensation and benefits	\$ 159	\$ 200
Settlement obligations	134	177
Other accrued expenses	229	220
Total	<u>\$ 522</u>	<u>\$ 597</u>

Income Taxes

The Company accounts for income taxes under SFAS No. 109, *Accounting for Income Taxes*. Deferred tax assets and liabilities are recognized for the expected future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax basis and net

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance, if necessary, is recorded against deferred tax assets for which utilization of the asset is not likely.

Effective January 1, 2007, the Company adopted FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (“FIN 48”), which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return, and provides guidance on derecognition, classification, and interest and penalties. The adoption of FIN 48 did not result in a cumulative adjustment to the Company’s accumulated earnings.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss, net of income taxes, consisted of the following at December 31:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Fair market value adjustment on cash flow hedges	\$(105)	\$ (45)
Foreign currency translation	(8)	5
Unrealized loss on investments	(5)	—
Unrecognized pension losses	(2)	(1)
Total	<u>\$(120)</u>	<u>\$ (41)</u>

Net Income Per Share

Basic net income per share is computed using the weighted-average number of common shares outstanding during the periods. Diluted net income per share is computed using the weighted-average number of common shares and common stock equivalents outstanding during the periods. Common stock equivalents consist of stock options and restricted stock awards and are computed using the treasury stock method. In 2008, 2007 and 2006, the Company excluded 2.4 million, 1.1 million and 1.0 million weighted-average shares, respectively, for stock options from the calculation of common stock equivalents as their impact was anti-dilutive.

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

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Weighted-average common shares outstanding used for the calculation of net income per share—basic	162.0	166.6	175.0
Common stock equivalents	1.1	2.2	2.5
Total shares used for the calculation of net income per share—diluted	<u>163.1</u>	<u>168.8</u>	<u>177.5</u>

Supplemental Cash Flow Information

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Interest paid	\$252	\$ 62	\$ 42
Income taxes paid (including discontinued operations)	474	236	235
Liabilities assumed in acquisitions of businesses	21	979	32
Note received in sale of businesses	30	—	—

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

2. Acquisitions

CheckFree Corporation

On December 3, 2007, the Company acquired CheckFree, a leading provider of electronic commerce services and products, including electronic bill payment and Internet banking, for \$4.4 billion in cash. In the acquisition, each outstanding share of CheckFree common stock was converted into the right to receive \$48 per share. CheckFree has enabled the Company to expand its client relationships with a leading platform in the growing electronic bill payment sector. The combination has enabled the Company to deliver a wider range of integrated product offerings, created new opportunities for growth, enhanced efficiency, and brought new products and services to market.

The purchase price allocation for CheckFree was as follows (in millions):

Cash and cash equivalents	\$ 181
Trade accounts receivable	237
Other current assets	168
Property and equipment	148
Intangible assets	1,764
Goodwill	2,812
Other assets	55
Trade accounts payable and accrued liabilities	(248)
Other current liabilities	(210)
Noncurrent deferred income tax liabilities	(381)
Other long-term liabilities	(105)
Total purchase price	<u>\$4,421</u>

The purchase price for CheckFree was paid in cash at closing, except for \$34 million of accrued purchase price which was paid in 2008. During 2008, the Company finalized the purchase price allocation based on the final valuations of intangible assets and an evaluation of assumed liabilities. The final purchase price allocation did not materially change from the preliminary purchase price allocation as of December 31, 2007. The purchase price allocation resulted in goodwill of \$2.8 billion, which is not deductible for tax purposes. The amounts allocated to intangible assets were as follows:

<u>(In millions)</u>	<u>Gross Carrying Amount</u>	<u>Weighted - Average Useful Life (Years)</u>
Customer related intangible assets	\$ 1,369	17.6
Acquired software and technology	314	7.0
Trade name	81	Indefinite
	<u>\$ 1,764</u>	14.1

Notes to Consolidated Financial Statements—Continued
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The following unaudited supplemental pro forma information presents the Company's results of operations as though the acquisition of CheckFree had occurred on January 1, 2007 and 2006:

<u>(In millions, except per share data)</u>	<u>2007</u>	<u>2006</u>
Total revenues	\$ 4,885	\$ 4,455
Income from continuing operations	325	301
Net income	351	361
Net income per share—basic	\$ 2.10	\$ 2.06
Net income per share—diluted	\$ 2.08	\$ 2.03

The unaudited supplemental pro forma information is not necessarily indicative of the Company's operating results which would have occurred had the acquisition of CheckFree been completed on the assumed dates.

Other Acquisitions

In addition to the acquisition of CheckFree in 2007, net cash paid for other acquisitions was \$51 million, \$120 million and \$169 million in 2008, 2007 and 2006, respectively. The results of operations of all acquired businesses have been included in the accompanying consolidated statements of income from the dates of acquisition. Pro forma information for these other acquisitions is not provided because they did not have a material effect on the Company's results of operations.

3. Sale of Majority Interest in Fiserv Insurance

On July 14, 2008, the Company completed the sale of a 51% interest in substantially all of the businesses in its Insurance segment ("Fiserv Insurance") to Trident IV, LP and due to the sale recognized an after-tax loss of \$0.34 per share. This loss on sale was comprised of a pre-tax loss of \$21 million and income tax expense of \$34 million which was incurred on sale due to a significantly lower tax basis in the stock compared to the book basis of the net assets sold (see Note 6). The Company received net cash proceeds of \$497 million, net of cash sold and transaction expenses, and a \$30 million note due in 2018. The pre-tax loss on sale of \$21 million was determined based on the proceeds received for the sale of the Company's majority interest, including a net working capital adjustment and an estimated contingent liability for retained obligations with final settlement in 2012. The Company's remaining 49% ownership interest in Fiserv Insurance is accounted for using the equity method of accounting whereby the Company's investment was established based on the Company's historical basis and is adjusted for the Company's share of undistributed net income or net loss. The Company's share of Fiserv Insurance's net income is reported as income from investment in unconsolidated affiliate, and the revenues and expenses of Fiserv Insurance after July 14, 2008 are not included in the Company's consolidated statement of income. The Company's consolidated financial statements for all periods prior to July 14, 2008 include the revenues, expenses, assets, liabilities and cash flows of Fiserv Insurance. The Company's investment in and advances to Fiserv Insurance, totaling \$211 million at December 31, 2008, are reported within other long-term assets in the consolidated balance sheet.

4. Dispositions

Fiserv Health

On January 10, 2008, the Company completed the sale of a majority of its health businesses to UnitedHealthcare Services, Inc. for total cash proceeds of \$735 million. In 2008, the Company recognized an after-tax gain on sale of \$100 million, including income taxes of \$220 million, for this transaction.

Notes to Consolidated Financial Statements—Continued
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Fiserv ISS

In 2007, the Company signed definitive agreements to sell its Investment Support Services segment in two separate transactions. On February 4, 2008, the Company completed the first transaction by selling Fiserv Trust Company and the accounts of the Company's institutional retirement plan and advisor services operations to TD AMERITRADE Online Holdings, Inc. for \$273 million in cash at closing. In 2008, the Company recognized an after-tax gain on sale of \$130 million, including income taxes of \$70 million, for this transaction, which does not include the Company's receipt of an earnout payment expected to be received in 2009.

In the second transaction, Robert Beriault Holdings, Inc., an entity controlled by the current president of Fiserv ISS, has agreed to acquire the remaining accounts and net capital of Fiserv ISS, including the investment administration services business which provides back office and custody services for individual retirement accounts, for net book value. This portion of the Fiserv ISS disposition remains subject to customary closing conditions and regulatory approval from the FDIC.

Other

In 2008 and 2007, the Company completed the sale of two lending businesses in its Financial segment and two insurance businesses which did not result in a significant net gain or loss.

In 2006, the Company recognized a \$7 million after-tax gain for the receipt of a contingent payment related to the Company's sale of its securities clearing businesses which was completed in 2005.

The assets and liabilities, results of operations and cash flows of Fiserv Health, Fiserv ISS and the Company's other dispositions have been reported as discontinued operations in the accompanying consolidated financial statements for all periods presented. Summarized financial information for discontinued operations was as follows for the years ended December 31:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Total revenues	\$ 134	\$ 1,124	\$ 1,000
(Loss) income before income taxes	(9)	41	84
Income tax benefit (provision)	3	(16)	(31)
Gain on sale, net of income taxes	<u>229</u>	<u>—</u>	<u>7</u>
Income from discontinued operations	<u>\$ 223</u>	<u>\$ 25</u>	<u>\$ 60</u>

Notes to Consolidated Financial Statements—Continued
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Assets and liabilities of discontinued operations are presented separately as assets and liabilities of discontinued operations held for sale in the consolidated balance sheets, and consisted of the following at December 31:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Cash and cash equivalents	\$ 36	\$ 149
Trade accounts receivable, net	9	98
Prepaid expenses and other assets	5	48
Investments	891	1,888
Property and equipment, net	3	25
Intangible assets, net	2	475
Assets of discontinued operations held for sale	<u>\$ 946</u>	<u>\$ 2,683</u>
Trade accounts payable and other liabilities	\$ 2	\$ 201
Retirement account deposits	829	1,911
Liabilities of discontinued operations held for sale	<u>\$ 831</u>	<u>\$ 2,112</u>

As of December 31, 2008, assets and liabilities of discontinued operations held for sale represent those of Fiserv ISS, which acts as a custodian for self-directed individual retirement accounts. Fiserv ISS accepts retirement account deposits from clients and invests the funds in investment grade securities. Such amounts due to clients represent the primary source of funds for Fiserv ISS' investments which, at December 31, 2008 and 2007, consisted of \$818 million and \$1.44 billion, respectively, of mortgage-backed obligations which include GNMA, FNMA and FHLMC government agency mortgage-backed pass-through securities and collateralized mortgage obligations rated AAA by Standard and Poor's, and \$73 million and \$448 million, respectively, of money market mutual funds. Gross unrealized gains and losses on this investment portfolio totaled \$16 million and \$1 million, respectively, at December 31, 2008 and \$3 million and \$63 million, respectively, at December 31, 2007.

5. Long-Term Debt

The Company's outstanding long-term debt was as follows at December 31:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Revolving credit facility	\$ 100	\$ 840
Senior term loan	2,250	2,500
Senior notes	1,748	1,998
Other borrowings	7	67
Total debt	4,105	5,405
Less: current maturities	(255)	(510)
Long-term debt	<u>\$3,850</u>	<u>\$4,895</u>

Notes to Consolidated Financial Statements—Continued
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The estimated fair value of total debt was \$3.9 billion and \$5.4 billion at December 31, 2008 and 2007, respectively. Annual principal payments required under the terms of the long-term debt agreements were as follows at December 31, 2008 (in millions):

<u>Years ending December 31,</u>	
2009	\$ 255
2010	377
2011	475
2012	2,499
2013	—
Thereafter	499
Total	<u>\$ 4,105</u>

Revolving Credit Facility

The Company maintains a \$900 million unsecured revolving credit facility with a syndicate of banks. The facility bears interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate. There are no significant commitment fees or compensating balance requirements under this facility. The revolving credit facility, as amended, contains various restrictions and covenants that require the Company, among other things, to limit its consolidated indebtedness to no more than a specified multiple (ranging between 3.5 and 4.5) of consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments, and to maintain consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments of at least three times consolidated interest expense. The facility expires on March 24, 2011. The Company was in compliance with all debt covenants in 2008. The weighted-average variable interest rate on revolving credit facility borrowings was 1.9% at December 31, 2008. At December 31, 2008, the Company's outstanding borrowings on this facility were \$100 million and available borrowings were \$784 million.

Senior Term Loan

In December 2007, the Company borrowed \$2.5 billion under an unsecured senior term loan facility with a syndicate of banks. This term loan bears interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate, and matures in November 2012. A scheduled principal payment of \$250 million is due in December 2009, payments of \$375 million are due in December 2010 and 2011, and the remaining principal of \$1.25 billion is due in November 2012. The weighted-average variable interest rate on the term loan borrowings was 2.1% at December 31, 2008. The term loan facility contains various restrictions and covenants substantially similar to those contained in the revolving credit facility described above.

Senior Notes

In November 2007, the Company issued \$1.25 billion of 6.125% senior notes due in November 2012 and \$500 million of 6.8% senior notes due in November 2017, which pay interest at the stated rate on May 20 and November 20 of each year. The interest rates applicable to these notes are subject to an increase of up to two percent in the event that the Company's credit rating is downgraded below investment grade. The indenture governing the senior notes contains covenants that, among other matters, limit: the Company's ability to consolidate or merge into, or convey, transfer or lease all or substantially all of its properties and assets to, another person; the Company's and certain of its subsidiaries' ability to create or assume liens; and the Company's and certain of its subsidiaries' ability to engage in sale and leaseback transactions.

Notes to Consolidated Financial Statements—Continued
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Interest Rate Hedge Contracts

To manage exposure to fluctuations in interest rates, the Company maintains a series of interest rate swap agreements (“Swaps”) with total notional values of \$1.75 billion and \$1.9 billion at December 31, 2008 and 2007, respectively. The Swaps have been designated by the Company as cash flow hedges, effectively fix interest rates on floating rate term loan borrowings at a weighted-average rate of approximately 4.5% prior to financing spreads and related fees, and have expiration dates through September 2012. The fair values of the Swaps, which totaled \$138 million and \$41 million at December 31, 2008 and 2007, respectively, were recorded as liabilities in the consolidated balance sheets. In 2008 and 2007, interest expense of \$1 million was recognized in each year due to hedge ineffectiveness and, no amounts were excluded from the assessment of hedge effectiveness. Based on the amounts recorded in shareholders’ equity as accumulated other comprehensive loss at December 31, 2008, the Company estimates that it will recognize approximately \$50 million in interest expense during 2009 related to interest rate hedge contracts.

6. Income Taxes

A reconciliation of income tax computed at the statutory federal tax rate to the income tax provision from continuing operations is as follows:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Statutory federal tax rate	35%	35%	35%
Tax computed at statutory rate	\$217	\$234	\$219
State income taxes, net of federal effect	23	21	20
Basis difference on sale of businesses	41	—	—
Other, net	(2)	1	(3)
Income tax provision	<u>\$279</u>	<u>\$256</u>	<u>\$236</u>

The income tax provision for continuing operations was as follows:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Current:			
Federal	\$237	\$199	\$189
State	43	32	29
Foreign	3	5	4
	<u>283</u>	<u>236</u>	<u>222</u>
Deferred:			
Federal	(2)	24	20
State	1	2	—
Foreign	(3)	(6)	(6)
	<u>(4)</u>	<u>20</u>	<u>14</u>
Income tax provision	<u>\$279</u>	<u>\$256</u>	<u>\$236</u>

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

Significant components of deferred tax assets and liabilities consisted of the following at December 31:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Accrued expenses	\$ 67	\$ 55
Interest rate hedge contracts	59	26
Share-based compensation	21	15
Net operating loss and credit carry-forwards	51	76
Other	54	67
Total deferred tax assets	<u>252</u>	<u>239</u>
Software development costs	(54)	(44)
Intangible assets	(634)	(671)
Other	(23)	(27)
Total deferred tax liabilities	<u>(711)</u>	<u>(742)</u>
Total	<u>\$(459)</u>	<u>\$(503)</u>

Deferred tax assets and liabilities are reported in the consolidated balance sheets as follows at December 31:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Current assets	\$ 71	\$ 71
Noncurrent liabilities	(530)	(574)
Total	<u>\$(459)</u>	<u>\$(503)</u>

Unrecognized tax benefits were as follows:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Unrecognized tax benefits—Beginning of year	\$60	\$23
Increases for tax positions taken during the current year	11	4
Increases for tax positions taken in prior years	1	4
Assumed in acquisitions	9	32
Settlements with taxing authorities	(1)	(1)
Lapse of the statute of limitations	(3)	(2)
Unrecognized tax benefits—End of year	<u>\$77</u>	<u>\$60</u>

As of December 31, 2008, unrecognized tax benefits, net of federal and state benefits, of \$38 million and \$5 million would affect the effective tax rate from continuing operations and discontinued operations, respectively, if recognized. Settlements with taxing authorities and lapse of the statute of limitations are expected to total approximately \$19 million in 2009.

The Company classifies interest and penalties related to income taxes as components of its income tax provision. In 2008 and 2007, the income tax provision from continuing operations included \$2 million and less than \$1 million, respectively, related to interest and penalties on unrecognized tax benefits accounted for under FIN 48. Accrued interest and penalties related to unrecognized tax benefits totaled \$18 million and \$15 million as of December 31, 2008 and 2007, respectively.

The Company's federal tax returns for 2004 through 2008 and tax returns in certain states and foreign jurisdictions for 2001 through 2008 remain subject to examination by taxing authorities.

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At December 31, 2008, the Company had federal net operating loss carry-forwards of \$73 million, which expire in 2014 through 2027, state net operating loss carry-forwards of \$205 million, which expire in 2009 through 2028, and foreign net operating loss carry-forwards of \$77 million, of which \$18 million expire in 2013 through 2017 and the remainder of which do not expire.

7. Employee Stock and Savings Plans

Stock Plans

The Company recognizes share-based compensation expense for stock options, restricted stock awards, shares received by employees under the Company's employee stock purchase plan and similar awards based on the provisions of SFAS No. 123 (revised 2004), *Share-Based Payment*. The Company recognizes the fair value of share-based compensation awards in cost of processing and services, cost of product and selling, general and administrative expense in its consolidated statements of income on a straight-line basis over the vesting period of the underlying awards.

The Company's share-based compensation primarily consists of the following:

Stock Options—The Company generally grants stock options to employees and non-employee directors at exercise prices equal to the fair market value of the Company's stock on the dates of grant, which are typically in the first quarter of the year. Stock options granted in 2008 generally vest over a three year period beginning on the first anniversary of the grant date and stock options granted prior to 2008 generally vest 20% on the date of grant and 20% each year thereafter. All stock options expire ten years from the date of the award. The Company recognizes compensation expense for the fair value of the stock options over the requisite service period of the stock option award.

Restricted Stock Units—The Company awards restricted stock units to employees and non-employee directors. The Company recognizes compensation expense for restricted stock units based on the market price on the date of award over the period during which the awards vest.

Employee Stock Purchase Plan—The Company maintains an employee stock purchase plan that allows eligible employees to purchase a limited number of shares of common stock each quarter through payroll deductions at 85% of the closing price of the Company's common stock on the last business day of each calendar quarter. The Company recognizes compensation expense related to the 15% discount on the purchase date.

Share-based compensation expense recorded for continuing operations was \$34 million, \$23 million and \$26 million during 2008, 2007 and 2006, respectively. The income tax benefits in income from continuing operations related to share-based compensation totaled \$12 million, \$8 million and \$9 million in 2008, 2007 and 2006, respectively. As of December 31, 2008, the total remaining unrecognized compensation cost related to continuing operations for unvested stock options and restricted stock awards, net of estimated forfeitures, of \$50 million is expected to be recognized over a weighted-average period of 2.8 years.

The weighted-average estimated fair value of stock options granted during 2008, 2007 and 2006 was \$20.56, \$21.07 and \$13.46 per share, respectively. The fair values of stock options granted were estimated on the date of grant using a binomial option-pricing model with the following assumptions:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expected life (in years)	6.4	6.0	5.0
Average risk-free interest rate	3.2%	4.6%	4.7%
Expected volatility	31.1%	30.7%	30.5%
Expected dividend yield	0%	0%	0%

Notes to Consolidated Financial Statements—Continued
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The Company determined the expected life of stock options using historical data adjusted for known factors that would alter historical exercise behavior including announced retirement dates. The risk-free interest rate is based on the U.S. treasury yield curve in effect as of the grant date. Expected volatility is determined using a weighted-average of implied market volatility combined with historical volatility. The Company believes that a blend of historical volatility and implied volatility better reflects future market conditions and better indicates expected volatility than purely historical volatility.

A summary of stock option activity is as follows:

	Shares (In thousands)	Weighted- Average Price	Weighted- Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (In millions)
Outstanding—December 31, 2007	7,644	\$ 39.15		
Granted	1,453	54.07		
Forfeited	(264)	48.91		
Exercised	(1,908)	36.38		
Outstanding—December 31, 2008	<u>6,925</u>	<u>\$ 42.67</u>	<u>6.0</u>	<u>\$ 12</u>
Exercisable—December 31, 2008	<u>4,409</u>	<u>\$ 37.78</u>	<u>4.5</u>	<u>\$ 12</u>

A summary of restricted stock award activity is as follows:

	Shares (In thousands)	Weighted- Average Grant Date Fair Value
Restricted stock balance, December 31, 2007	623	\$ 46.91
Granted	353	53.28
Forfeited	(65)	53.52
Vested	(223)	49.96
Restricted stock balance, December 31, 2008	<u>688</u>	<u>\$ 48.79</u>

The table below presents additional information related to stock option and restricted stock award activity:

(In millions)	2008	2007	2006
Total intrinsic value of stock options exercised	\$30	\$71	\$44
Cash received from stock option exercises	23	40	22
Gross income tax benefit from the exercise of stock options	11	26	16
Fair value of restricted stock upon vesting	8	1	1

As of December 31, 2008, 8.3 million share-based awards were available for grant under the Fiserv, Inc. 2007 Omnibus Incentive Plan. Under its employee stock purchase plan, the Company issued 0.7 million, 0.6 million and 0.6 million shares in 2008, 2007 and 2006, respectively. As of January 1, 2009, there were 1.1 million shares available for issuance under the employee stock purchase plan.

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Employee Savings Plans

The Company and its subsidiaries have defined contribution savings plans covering substantially all employees. Under the plans, eligible participants may elect to contribute a specified percentage of their salaries, subject to certain limitations. The Company makes matching contributions, subject to certain limitations, and makes discretionary contributions based upon the attainment of specified financial results. Beginning in 2009, Company contributions vest after two years of employee service. Company contributions charged to continuing operations under these plans were \$33 million, \$45 million and \$51 million in 2008, 2007 and 2006, respectively.

8. Leases, Commitments and Contingencies

Leases

The Company leases certain facilities and equipment under operating leases. Most leases contain renewal options for varying periods. Future minimum rental payments on operating leases with initial non-cancellable lease terms in excess of one year were due as follows as of December 31, 2008 (in millions):

<u>Years Ending December 31,</u>	
2009	\$ 94
2010	74
2011	58
2012	39
2013	28
Thereafter	44
Total	<u>\$337</u>

Rent expense charged to continuing operations for all operating leases was approximately \$127 million, \$97 million and \$97 million during 2008, 2007 and 2006, respectively.

Commitments and Contingencies

Stambler Litigation

In July 2008, Leon Stambler filed a patent infringement complaint against Fiserv, Inc. and its subsidiary, CheckFree Corporation, in the United States District Court for the Eastern District of Texas styled as Leon Stambler v. Fiserv, Inc. and CheckFree Corporation. The complaint alleges that Fiserv and CheckFree infringe two patents allegedly owned by plaintiff by providing secure online banking services, including but not limited to online bill pay, through websites and through the provision of products and services to financial institutions. The plaintiff seeks an award of damages, including interest, as relief for any past and ongoing alleged infringement activities, costs and attorneys' fees, and any other relief deemed appropriate by the court.

In May 2008 and December 2008, Leon Stambler filed related patent infringement complaints in the same forum against a number of financial institutions and their holding companies, as well as against a number of other providers of technology to the financial services industry. Those related cases are styled as: Leon Stambler v. JPMorgan Chase & Co., et al. and Leon Stambler v. Merrill Lynch & Co., Inc., et al. Those complaints allege that the defendants infringe the same two patents by providing secure online banking products and/or services, including but not limited to online bill pay and secure funds transfer products and/or services. The plaintiff seeks an award of damages, including interest, related to defendants' alleged infringing activities and recovery of costs and attorneys' fees, as well as a permanent injunction against any future infringing conduct. A number of financial institution defendants in these cases have requested indemnification from Fiserv, Inc. and/or CheckFree Corporation for products and services provided by the Company.

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In its answer to the court, the Company has denied plaintiff's allegations of infringement and intends to contest these suits vigorously. At this time, the Company does not expect these claims to have a material adverse effect on the consolidated financial statements of the Company, but it is unable to predict with certainty the ultimate outcome of these matters.

Other Litigation

In the normal course of business, the Company and its subsidiaries are named as defendants in various other lawsuits in which claims are asserted against the Company. In the opinion of management, the liabilities, if any, which may ultimately result from such lawsuits are not expected to have a material adverse effect on the consolidated financial statements of the Company.

Electronic Payments Transactions

In connection with the Company's processing of electronic payments transactions, funds received from subscribers are invested from the time the Company collects the funds until payments are made to the applicable merchants. These subscriber funds are generally invested in short-term instruments that are guaranteed by the United States government. Subscriber funds, which are not included in the Company's consolidated balance sheets, can fluctuate significantly based on consumer bill payment activity, and totaled approximately \$1.1 billion as of December 31, 2008.

9. Business Segment Information

The Company acquired CheckFree on December 3, 2007. In connection with the integration of CheckFree and the significant expansion of the Company's payments related businesses, along with associated organizational changes, the Company reclassified its reporting segments for all periods presented to align them with how the chief operating decision maker of the Company currently manages the business. As a result, effective January 1, 2008, the Company's operations comprise the Financial, Payments, Insurance and Corporate and Other segments. The Financial segment provides banks, thrifts and credit unions with account processing services, item processing services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Payments segment provides products and services that address a range of technology needs for the financial services industry, including: Internet banking, electronic bill payment, electronic funds transfer and debit processing, fraud and risk management capabilities, card and print personalization services, check imaging, and investment account processing services for separately managed accounts. In 2008, the Company completed the sale of a 51% interest in substantially all of the businesses in the Insurance segment. The Corporate and Other segment primarily consists of unallocated corporate overhead expenses, amortization of acquisition-related intangible assets and intercompany eliminations.

Notes to Consolidated Financial Statements—Continued
For the years ended December 31, 2008, 2007 and 2006

<u>(In millions)</u>	<u>Financial</u>	<u>Payments</u>	<u>Insurance</u>	<u>Corporate and Other</u>	<u>Total</u>
2008					
Processing and services revenue	\$ 1,960	\$ 1,542	\$ 121	\$ (7)	\$3,616
Product revenue	184	589	392	(42)	1,123
Total revenues	2,144	2,131	513	(49)	4,739
Operating income	535	579	44	(268)	890
Identifiable assets	2,312	5,712	—	361	8,385
Capital expenditures	96	94	7	2	199
Depreciation and amortization expense	96	88	6	172	362
2007					
Processing and services revenue	\$ 1,848	\$ 594	\$ 227	\$ (1)	\$2,668
Product revenue	202	476	577	(26)	1,229
Total revenues	2,050	1,070	804	(27)	3,897
Operating income	515	253	78	(107)	739
Identifiable assets	2,297	5,888	795	183	9,163
Capital expenditures	83	55	10	8	156
Depreciation and amortization expense	90	45	9	42	186
2006					
Processing and services revenue	\$ 1,792	\$ 454	\$ 223	\$ (3)	\$2,466
Product revenue	195	409	483	(9)	1,078
Total revenues	1,987	863	706	(12)	3,544
Operating income	421	202	110	(66)	667
Identifiable assets	1,553	1,180	697	83	3,513
Capital expenditures	100	44	15	1	160
Depreciation and amortization expense	95	36	9	27	167

A reconciliation of business segment identifiable assets to the consolidated balance sheets is as follows:

<u>(In millions)</u>	<u>2008</u>	<u>2007</u>
Business segments	\$ 8,385	\$ 9,163
Assets of discontinued operations held for sale	946	2,683
Total assets	<u>\$ 9,331</u>	<u>\$ 11,846</u>

Revenues to clients outside the United States comprised approximately 5%, 5% and 4% of total revenues in 2008, 2007 and 2006, respectively. No single client accounted for more than 5%, 3% or 3% of total revenues in 2008, 2007 and 2006, respectively.

10. Subsidiary Guarantors of Long-Term Debt

Certain of the Company's 100% owned domestic subsidiaries ("Guarantor Subsidiaries") jointly and severally, and fully and unconditionally guarantee the Company's indebtedness under its revolving credit facility, senior term loan, and senior notes. The following condensed consolidating financial information is presented on the equity method and reflects the summarized financial information for (a) the Company; (b) the Guarantor Subsidiaries on a combined basis; and (c) the Company's non-guarantor subsidiaries on a combined basis.

FISERV, INC.
CONDENSED CONSOLIDATING STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2008

<u>(In millions)</u>	<u>Parent Company</u>	<u>Guarantor Subsidiaries</u>	<u>Non- Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues:					
Processing and services	\$ 1	\$ 2,456	\$ 1,232	\$ (73)	\$ 3,616
Product	—	623	525	(25)	1,123
Total revenues	<u>1</u>	<u>3,079</u>	<u>1,757</u>	<u>(98)</u>	<u>4,739</u>
Expenses:					
Cost of processing and services	1	1,426	757	(85)	2,099
Cost of product	2	479	457	(21)	917
Selling, general and administrative	107	457	269	—	833
Total expenses	<u>110</u>	<u>2,362</u>	<u>1,483</u>	<u>(106)</u>	<u>3,849</u>
Operating income (loss)	(109)	717	274	8	890
Interest expense, net	(118)	(116)	(13)	—	(247)
Loss on sale of businesses	—	(3)	(21)	—	(24)
Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate	(227)	598	240	8	619
Income tax (provision) benefit	87	(229)	(134)	(3)	(279)
Income from investment in unconsolidated affiliate, net of income taxes	—	—	6	—	6
Income (loss) from continuing operations	(140)	369	112	5	346
Equity in earnings of consolidated affiliates	709	—	—	(709)	—
Income from discontinued operations, net of income taxes	—	—	223	—	223
Net income	<u>\$ 569</u>	<u>\$ 369</u>	<u>\$ 335</u>	<u>\$ (704)</u>	<u>\$ 569</u>

FISERV, INC.
CONDENSED CONSOLIDATING STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2007

<u>(In millions)</u>	<u>Parent Company</u>	<u>Guarantor Subsidiaries</u>	<u>Non-Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues:					
Processing and services	\$ 2	\$ 1,693	\$ 1,013	\$ (40)	\$ 2,668
Product	1	559	692	(23)	1,229
Total revenues	<u>3</u>	<u>2,252</u>	<u>1,705</u>	<u>(63)</u>	<u>3,897</u>
Expenses:					
Cost of processing and services	(7)	1,039	650	(43)	1,639
Cost of product	1	409	595	(26)	979
Selling, general and administrative	85	244	211	—	540
Total expenses	<u>79</u>	<u>1,692</u>	<u>1,456</u>	<u>(69)</u>	<u>3,158</u>
Operating income (loss)	(76)	560	249	6	739
Interest expense, net	(43)	3	(29)	—	(69)
Income (loss) from continuing operations before income taxes	(119)	563	220	6	670
Income tax (provision) benefit	46	(218)	(82)	(2)	(256)
Income (loss) from continuing operations	(73)	345	138	4	414
Equity in earnings of consolidated affiliates	512	—	—	(512)	—
Income from discontinued operations, net of income taxes	—	—	25	—	25
Net income	<u>\$ 439</u>	<u>\$ 345</u>	<u>\$ 163</u>	<u>\$ (508)</u>	<u>\$ 439</u>

FISERV, INC.
CONDENSED CONSOLIDATING STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2006

<u>(In millions)</u>	<u>Parent Company</u>	<u>Guarantor Subsidiaries</u>	<u>Non-Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues:					
Processing and services	\$ (1)	\$ 1,563	\$ 917	\$ (13)	\$ 2,466
Product	1	498	588	(9)	1,078
Total revenues	<u>—</u>	<u>2,061</u>	<u>1,505</u>	<u>(22)</u>	<u>3,544</u>
Expenses:					
Cost of processing and services	(7)	984	610	(14)	1,573
Cost of product	—	355	499	(15)	839
Selling, general and administrative	73	217	175	—	465
Total expenses	<u>66</u>	<u>1,556</u>	<u>1,284</u>	<u>(29)</u>	<u>2,877</u>
Operating income (loss)	(66)	505	221	7	667
Interest expense, net	(7)	(4)	(30)	—	(41)
Income (loss) from continuing operations before income taxes	(73)	501	191	7	626
Income tax (provision) benefit	28	(190)	(71)	(3)	(236)
Income (loss) from continuing operations	(45)	311	120	4	390
Equity in earnings of consolidated affiliates	495	—	—	(495)	—
Income (loss) from discontinued operations, net of income taxes	—	(1)	61	—	60
Net income	<u>\$ 450</u>	<u>\$ 310</u>	<u>\$ 181</u>	<u>\$ (491)</u>	<u>\$ 450</u>

FISERV, INC.
CONDENSED CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2008

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Cash and cash equivalents	\$ 32	\$ 106	\$ 94	\$ —	\$ 232
Trade accounts receivable, net	(1)	389	213	—	601
Prepaid expenses and other current assets	76	145	145	—	366
Assets of discontinued operations held for sale	—	—	946	—	946
Total current assets	<u>107</u>	<u>640</u>	<u>1,398</u>	<u>—</u>	<u>2,145</u>
Investments in affiliates	2,736	—	—	(2,736)	—
Goodwill and intangible assets, net	—	5,575	955	—	6,530
Other long-term assets	59	302	295	—	656
Total assets	<u>\$ 2,902</u>	<u>\$ 6,517</u>	<u>\$ 2,648</u>	<u>\$ (2,736)</u>	<u>\$ 9,331</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
Trade accounts payable and other current liabilities	\$ 360	\$ 531	\$ 325	\$ —	\$ 1,216
Liabilities of discontinued operations held for sale	—	—	831	—	831
Total current liabilities	<u>360</u>	<u>531</u>	<u>1,156</u>	<u>—</u>	<u>2,047</u>
Long-term debt	3,849	1	—	—	3,850
Due to (from) affiliates	(4,264)	3,880	384	—	—
Other long-term liabilities	363	523	(46)	—	840
Total liabilities	<u>308</u>	<u>4,935</u>	<u>1,494</u>	<u>—</u>	<u>6,737</u>
Total shareholders' equity	<u>2,594</u>	<u>1,582</u>	<u>1,154</u>	<u>(2,736)</u>	<u>2,594</u>
Total liabilities and shareholders' equity	<u>\$ 2,902</u>	<u>\$ 6,517</u>	<u>\$ 2,648</u>	<u>\$ (2,736)</u>	<u>\$ 9,331</u>

FISERV, INC.
CONDENSED CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2007

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Cash and cash equivalents	\$ 41	\$ 132	\$ 124	\$ —	\$ 297
Trade accounts receivable, net	(5)	393	448	—	836
Prepaid expenses and other current assets	95	138	191	—	424
Assets of discontinued operations held for sale	—	—	2,683	—	2,683
Total current assets	<u>131</u>	<u>663</u>	<u>3,446</u>	<u>—</u>	<u>4,240</u>
Investments in affiliates	7,361	—	—	(7,361)	—
Goodwill and intangible assets, net	1	5,765	1,341	—	7,107
Other long-term assets	33	314	152	—	499
Total assets	<u>\$ 7,526</u>	<u>\$ 6,742</u>	<u>\$ 4,939</u>	<u>\$ (7,361)</u>	<u>\$ 11,846</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
Trade accounts payable and other current liabilities	\$ 558	\$ 549	\$ 532	\$ —	\$ 1,639
Liabilities of discontinued operations held for sale	—	—	2,112	—	2,112
Total current liabilities	<u>558</u>	<u>549</u>	<u>2,644</u>	<u>—</u>	<u>3,751</u>
Long-term debt	4,887	5	3	—	4,895
Due to (from) affiliates	(695)	(427)	1,122	—	—
Other long-term liabilities	309	462	(38)	—	733
Total liabilities	<u>5,059</u>	<u>589</u>	<u>3,731</u>	<u>—</u>	<u>9,379</u>
Total shareholders' equity	<u>2,467</u>	<u>6,153</u>	<u>1,208</u>	<u>(7,361)</u>	<u>2,467</u>
Total liabilities and shareholders' equity	<u>\$ 7,526</u>	<u>\$ 6,742</u>	<u>\$ 4,939</u>	<u>\$ (7,361)</u>	<u>\$ 11,846</u>

FISERV, INC.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2008

<u>(In millions)</u>	<u>Parent Company</u>	<u>Guarantor Subsidiaries</u>	<u>Non-Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Cash flows from operating activities:					
Net cash provided by (used in) operating activities from continuing operations	\$ (3)	\$ 598	\$ 180	\$ —	\$ 775
Cash flows from investing activities:					
Capital expenditures, including capitalization of software costs	(2)	(144)	(55)	2	(199)
Payment for acquisitions of businesses, net of cash acquired	(14)	(30)	(41)	—	(85)
Proceeds from sale of businesses, net of cash sold and expenses paid	—	1	497	—	498
Other investing activities	1	(439)	(557)	987	(8)
Net cash provided by (used in) investing activities from continuing operations	(15)	(612)	(156)	989	206
Cash flows from financing activities:					
Repayments of long-term debt, net	(1,240)	(8)	(55)	—	(1,303)
Purchases of treasury stock	(441)	—	—	—	(441)
Other financing activities	1,027	(8)	1	(989)	31
Net cash used in financing activities from continuing operations	(654)	(16)	(54)	(989)	(1,713)
Net change in cash and cash equivalents from continuing operations	(672)	(30)	(30)	—	(732)
Net cash transactions transferred from discontinued operations	663	4	—	—	667
Beginning balance	41	132	124	—	297
Ending balance	<u>\$ 32</u>	<u>\$ 106</u>	<u>\$ 94</u>	<u>\$ —</u>	<u>\$ 232</u>

FISERV, INC.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2007

<u>(In millions)</u>	<u>Parent Company</u>	<u>Guarantor Subsidiaries</u>	<u>Non-Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Cash flows from operating activities:					
Net cash provided by (used in) operating activities from continuing operations	\$ (40)	\$ 465	\$ 135	\$ 5	\$ 565
Cash flows from investing activities:					
Capital expenditures, including capitalization of software costs	(2)	(94)	(60)	—	(156)
Payment for acquisitions of businesses, net of cash acquired	(4,296)	(88)	51	—	(4,333)
Other investing activities	—	(51)	(12)	82	19
Net cash used in investing activities from continuing operations	(4,298)	(233)	(21)	82	(4,470)
Cash flows from financing activities:					
Proceeds from (repayments of) long-term debt, net	4,634	(169)	(3)	—	4,462
Purchases of treasury stock	(469)	—	—	—	(469)
Other financing activities	134	(10)	(6)	(87)	31
Net cash provided by (used in) financing activities from continuing operations	4,299	(179)	(9)	(87)	4,024
Net change in cash and cash equivalents from continuing operations	(39)	53	105	—	119
Net cash transactions transferred from discontinued operations	56	6	—	—	62
Beginning balance	24	73	19	—	116
Ending balance	<u>\$ 41</u>	<u>\$ 132</u>	<u>\$ 124</u>	<u>\$ —</u>	<u>\$ 297</u>

FISERV, INC.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2006

<u>(In millions)</u>	<u>Parent Company</u>	<u>Guarantor Subsidiaries</u>	<u>Non-Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Cash flows from operating activities:					
Net cash provided by (used in) operating activities from continuing operations	\$ (4)	\$ 403	\$ 138	\$ 4	\$ 541
Cash flows from investing activities:					
Capital expenditures, including capitalization of software costs	—	(98)	(62)	—	(160)
Payment for acquisitions of businesses, net of cash acquired	(40)	(40)	(107)	—	(187)
Other investing activities	—	(275)	(5)	279	(1)
Net cash used in investing activities from continuing operations	(40)	(413)	(174)	279	(348)
Cash flows from financing activities:					
Proceeds from (repayments of) long-term debt, net	131	(2)	9	—	138
Purchases of treasury stock	(560)	—	—	—	(560)
Other financing activities	332	3	(3)	(283)	49
Net cash (used in) provided by financing activities from continuing operations	(97)	1	6	(283)	(373)
Net change in cash and cash equivalents from continuing operations	(141)	(9)	(30)	—	(180)
Net cash transactions transferred from discontinued operations	144	—	6	—	150
Beginning balance	21	82	43	—	146
Ending balance	<u>\$ 24</u>	<u>\$ 73</u>	<u>\$ 19</u>	<u>\$ —</u>	<u>\$ 116</u>

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Fiserv, Inc.:

We have audited the accompanying consolidated balance sheets of Fiserv, Inc. and subsidiaries (the “Company”) as of December 31, 2008 and 2007, and the related consolidated statements of income, shareholders’ equity, and cash flows for each of the three years in the period ended December 31, 2008. Our audits also included the consolidated financial statement schedule of the Company listed in the Index at Item 15. These financial statements and financial statement schedule are the responsibility of the Company’s management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Fiserv, Inc. and subsidiaries as of December 31, 2008 and 2007, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2008, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company’s internal control over financial reporting as of December 31, 2008, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 26, 2009 expressed an unqualified opinion on the Company’s internal control over financial reporting.

/s/ Deloitte & Touche LLP

Milwaukee, WI
February 26, 2009

QUARTERLY FINANCIAL INFORMATION
(Unaudited)

<u>(In millions, except per share data)</u>	<u>Quarters</u>				<u>Total</u>
	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	
2008					
Revenues:					
Processing and services	\$ 943	\$ 947	\$ 874	\$ 852	\$3,616
Product	363	345	206	209	1,123
Total revenues	<u>1,306</u>	<u>1,292</u>	<u>1,080</u>	<u>1,061</u>	<u>4,739</u>
Expenses:					
Cost of processing and services	558	553	500	488	2,099
Cost of product	307	296	162	152	917
Selling, general and administrative	211	216	204	202	833
Total expenses	<u>1,076</u>	<u>1,065</u>	<u>866</u>	<u>842</u>	<u>3,849</u>
Operating income	230	227	214	219	890
Interest expense, net	(69)	(61)	(57)	(60)	(247)
(Loss) gain on sale of businesses	—	—	19	(43)	(24)
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	161	166	176	116	619
Income tax provision	(62)	(64)	(105)	(48)	(279)
Income from investment in unconsolidated affiliate, net of income taxes	—	—	3	3	6
Income from continuing operations	99	102	74	71	346
Income (loss) from discontinued operations, net of income taxes	230	(2)	4	(9)	223
Net income	<u>\$ 329</u>	<u>\$ 100</u>	<u>\$ 78</u>	<u>\$ 62</u>	<u>\$ 569</u>
Net income (loss) per share—basic:					
Continuing operations	\$ 0.61	\$ 0.62	\$ 0.45	\$ 0.45	\$ 2.14
Discontinued operations	1.40	(0.01)	0.03	(0.06)	1.37
Total	<u>\$ 2.00</u>	<u>\$ 0.61</u>	<u>\$ 0.48</u>	<u>\$ 0.39</u>	<u>\$ 3.51</u>
Net income (loss) per share—diluted:					
Continuing operations	\$ 0.60	\$ 0.62	\$ 0.45	\$ 0.45	\$ 2.12
Discontinued operations	1.39	(0.01)	0.03	(0.06)	1.36
Total	<u>\$ 1.99</u>	<u>\$ 0.60</u>	<u>\$ 0.48</u>	<u>\$ 0.39</u>	<u>\$ 3.49</u>

(In millions, except per share data)	Quarters				Total
	First	Second	Third	Fourth	
2007					
Revenues:					
Processing and services	\$ 637	\$ 649	\$ 647	\$ 735	\$2,668
Product	298	284	277	370	1,229
Total revenues	<u>935</u>	<u>933</u>	<u>924</u>	<u>1,105</u>	<u>3,897</u>
Expenses:					
Cost of processing and services	397	394	389	459	1,639
Cost of product	236	225	223	295	979
Selling, general and administrative	124	127	120	169	540
Total expenses	<u>757</u>	<u>746</u>	<u>732</u>	<u>923</u>	<u>3,158</u>
Operating income	178	187	192	182	739
Interest expense, net	(9)	(12)	(12)	(36)	(69)
Income from continuing operations before income taxes	169	175	180	146	670
Income tax provision	(66)	(67)	(68)	(55)	(256)
Income from continuing operations	103	108	112	91	414
Income from discontinued operations, net of income taxes	11	—	9	5	25
Net income	<u>\$ 114</u>	<u>\$ 108</u>	<u>\$ 121</u>	<u>\$ 96</u>	<u>\$ 439</u>
Net income per share—basic:					
Continuing operations	\$0.61	\$0.64	\$0.68	\$ 0.55	\$ 2.48
Discontinued operations	0.06	—	0.06	0.04	0.15
Total	<u>\$0.67</u>	<u>\$0.65</u>	<u>\$0.73</u>	<u>\$ 0.59</u>	<u>\$ 2.64</u>
Net income per share—diluted:					
Continuing operations	\$0.60	\$0.63	\$0.67	\$ 0.55	\$ 2.45
Discontinued operations	0.06	—	0.05	0.04	0.15
Total	<u>\$0.66</u>	<u>\$0.64</u>	<u>\$0.73</u>	<u>\$ 0.58</u>	<u>\$ 2.60</u>

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures*(a) Disclosure Controls and Procedures*

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2008.

*(b) Management Report On Internal Control Over Financial Reporting***Management's Annual Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2008. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control—Integrated Framework*. Based on management's assessment, our management believes that, as of December 31, 2008, our internal control over financial reporting was effective based on those criteria.

Our independent registered public accounting firm has issued their attestation report on our internal control over financial reporting. The report is included below under the heading "Report of Independent Registered Public Accounting Firm On Internal Control Over Financial Reporting."

(c) Changes in Internal Control Over Financial Reporting

There were no other changes in internal control over financial reporting that occurred during the quarter ended December 31, 2008 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

(d) Report of Independent Registered Public Accounting Firm On Internal Control Over Financial Reporting

Our independent registered public accounting firm, Deloitte & Touche LLP, assessed the effectiveness of our internal control over financial reporting and has issued their report as set forth below.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Fiserv, Inc.:

We have audited the internal control over financial reporting of Fiserv, Inc. and subsidiaries (the “Company”) as of December 31, 2008, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company’s internal control over financial reporting is a process designed by, or under the supervision of, the company’s principal executive and principal financial officers, or persons performing similar functions, and effected by the company’s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2008, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule as of and for the year ended December 31, 2008 of the Company and our report dated February 26, 2009 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ Deloitte & Touche LLP

Milwaukee, WI
February 26, 2009

Item 9B. Other Information

On February 26, 2009, Jeffery W. Yabuki entered into Amendment No. 1 to Amended and Restated Employment Agreement. The amendment, which is filed herewith as Exhibit 10.24, clarifies that, in the event of a conflict between the terms of Mr. Yabuki's employment agreement and the terms of an equity award agreement, his employment agreement will control. On the same date, the compensation committee of the board of directors approved new forms of restricted stock unit and option award agreements. The new agreements, which are filed herewith as Exhibits 10.13, 10.14, 10.15, and 10.16, modify the period of time within which an option may be exercised following retirement and provide that a change in status from a full-time employee to a qualified part-time employee generally does not result in the loss of an award.

PART III**Item 10. Directors, Executive Officers and Corporate Governance**

Except for information concerning our executive officers included in this report under the caption "Executive Officers of the Registrant" beginning on page 16, which is incorporated by reference herein, and the information regarding our Code of Conduct below, the information required by Item 10 is incorporated by reference to the information set forth under the captions "Our Board of Directors," "Nominees for Election," "Continuing Directors," "Nominating and Corporate Governance Committee—Nominations of Directors," "Shareholder Proposals for the 2010 Annual Meeting," "Audit Committee—Membership and Responsibilities," and "Section 16(a) Beneficial Ownership Reporting Compliance" in our definitive proxy statement for our 2009 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2008.

Our board of directors has adopted a Code of Conduct that applies to all of our directors and employees, including our chief executive officer, chief financial officer, corporate controller and other persons performing similar functions. We have posted a copy of our Code of Conduct on the "Investors—Corporate Governance" section of our website at www.fiserv.com. We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to, or waivers from, the Code of Conduct by posting such information on the "Corporate Governance" section of our website at www.fiserv.com. We are not including the information contained on our website as part of, or incorporating it by reference into, this report.

Item 11. Executive Compensation

The information required by Item 11 is incorporated by reference to the information set forth under the captions "Compensation Discussion and Analysis," "Compensation Committee Interlocks and Insider Participation," "Compensation Committee Report," "Summary Compensation Table," "Grants of Plan-Based Awards in 2008," "Outstanding Equity Awards at December 31, 2008," "Option Exercises and Stock Vested During 2008," "Potential Payments Upon Termination or Change in Control," and "Compensation of Directors" in our definitive proxy statement for our 2009 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2008.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Item 12 is incorporated by reference to the information set forth under the caption "Security Ownership by Certain Beneficial Owners and Management" and "Equity Compensation Plan Information" in our definitive proxy statement for our 2009 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2008.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Item 13 is incorporated by reference to the information set forth under the captions “Corporate Governance—Director Independence” and “Corporate Governance—Review, Approval or Ratification of Transactions with Related Persons” in our definitive proxy statement for our 2009 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2008.

Item 14. Principal Accounting Fees and Services

The information required by Item 14 is incorporated by reference to the information set forth under the caption “Audit Fees” in our definitive proxy statement for our 2009 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2008.

PART IV

Item 15. Exhibits, Financial Statement Schedules

Financial Statement Schedule

The following financial statement schedule is included in this Annual Report on Form 10-K:

[Schedule II—Valuation and Qualifying Accounts](#)

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All other schedules are omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

Exhibits

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

SCHEDULE II
Valuation and Qualifying Accounts
Allowance for Doubtful Accounts
(in millions)

	<u>Beginning Balance</u>	<u>Charged to Expense</u>	<u>Write-offs</u>	<u>Acquisitions</u>	<u>Sale of Businesses</u>	<u>Ending Balance</u>
2008	\$ 63	\$ 24	\$ (28)	\$ —	\$ (47)	\$ 12
2007	33	32	(29)	27	—	63
2006	29	31	(28)	1	—	33

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Description</u>
2.1	Stock Subscription and Purchase Agreement by and among Trident FIS Holdings, LLL, Trident FIS PF Holdings, LLC, Insurance Solutions Holdings, Inc., Insurance Solutions Group, Inc., Fiserv, Inc. and Fiserv Insurance Holdings, Inc., dated as of July 1, 2008 (1)
2.2	Amended and Restated Stock Purchase Agreement, dated as of March 28, 2008, between Fiserv, Inc. and Robert Beriault Holdings, Inc. (2)
3.1	Restated Articles of Incorporation (3)
3.2	Amended and Restated Bylaws (4)
4.1	Credit Agreement, dated as of March 24, 2006, among Fiserv, Inc., certain foreign subsidiaries thereof from time to time parties thereto and the financial institutions parties thereto (5)
4.2	Amendment No. 1 to Credit Agreement, dated as of November 9, 2007, among Fiserv, Inc. and the financial institutions parties thereto (6)
4.3	Loan Agreement, dated as of November 9, 2007, among Fiserv, Inc. and the financial institutions parties thereto (6)
4.4	Indenture, dated as of November 20, 2007, by and among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (7)
4.5	First Supplemental Indenture, dated as of November 20, 2007, among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (8)
4.6	Second Supplemental Indenture, dated as of November 20, 2007, among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (8) Pursuant to Item 601(b)(4)(iii) of Regulation S-K, the Company agrees to furnish to the Securities and Exchange Commission, upon request, any instrument defining the rights of holders of long-term debt that is not filed as an exhibit to this Form 10-K.
10.1	Fiserv, Inc. Stock Option and Restricted Stock Plan, as amended and restated (9)*
10.2	Amendment to Fiserv, Inc. Stock Option and Restricted Stock Plan (10)*
10.3	Fiserv, Inc. 2007 Omnibus Incentive Plan (3)*
10.4	CheckFree Corporation Amended and Restated 2002 Stock Incentive Plan (11)* Fiserv, Inc. Stock Option and Restricted Stock Plan Forms of Award Agreements
10.5	– Form of Amendment to Stock Option Agreement (10)*
10.6	– Form of Director Restricted Stock Agreement (12)*
10.7	– Form of Employee Restricted Stock Agreement (13)*
10.8	– Form of Non-Qualified Stock Option Agreement for Outside Directors (12)*
10.9	– Form of Employee Non-Qualified Stock Option Agreement for Employee Directors (12)*
10.10	– Form of Employee Non-Qualified Stock Option Agreement for Senior Management (13)* Fiserv, Inc. 2007 Omnibus Incentive Plan Forms of Award Agreements
10.11	– Form of Restricted Stock Agreement (Non-Employee Director) (3)*
10.12	– Form of Restricted Stock Agreement (Employee) (3)*
10.13	– Form of Restricted Stock Unit Agreement (Non-Employee Director)*

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.14	– Form of Restricted Stock Unit Agreement (Senior Management)*
10.15	– Form of Non-Qualified Stock Option Agreement (Non-Employee Director)*
10.16	– Form of Non-Qualified Stock Option Agreement (Senior Management)*
10.17	– Form of Non-Qualified Stock Option Agreement (Special Equity Award 2008) (15)* CheckFree Corporation Amended and Restated 2002 Stock Incentive Plan Forms of Award Agreements
10.18	– Form of Nonstatutory Stock Option Agreement (11)*
10.19	– Form of Incentive Stock Option Agreement (11)*
10.20	Form of Amended and Restated Key Executive Employment and Severance Agreement, between Fiserv, Inc. and each of James Cox, Thomas Hirsch, Steve Olsen, Charles Sprague and Thomas Warsop (16)*
10.21	Amended and Restated Employment Agreement, dated December 22, 2008, between Fiserv, Inc. and Thomas Warsop (16)*
10.22	Amended and Restated Employment Agreement, dated December 22, 2008, between Fiserv, Inc. and Steve Olsen*
10.23	Amended and Restated Employment Agreement, dated December 22, 2008, between Fiserv, Inc. and Jeffery W. Yabuki (16)*
10.24	Amendment No. 1 to Amended and Restated Employment Agreement, dated February 26, 2009, between Fiserv, Inc. and Jeffery W. Yabuki*
10.25	Amended and Restated Key Executive Employment and Severance Agreement, dated December 22, 2008, between Fiserv, Inc. and Jeffery W. Yabuki (16)*
10.26	Employee Non-Qualified Stock Option Agreement, dated November 7, 2005, between Fiserv, Inc. and Jeffery W. Yabuki (17)*
10.27	Employee Non-Qualified Stock Option Agreement, dated November 7, 2005, between Fiserv, Inc. and Jeffery W. Yabuki (17)*
10.28	Employee Restricted Stock Agreement, dated November 7, 2005, between Fiserv, Inc. and Jeffery W. Yabuki (17)*
10.29	Amendment to Employee Restricted Stock Agreement, dated March 30, 2006, between Fiserv, Inc. and Jeffery W. Yabuki (18)*
10.30	Amended and Restated Executive Employment Agreement between CheckFree Corporation and Peter J. Kight*
10.31	Retention Agreement, dated as of July 27, 2007, between CheckFree Corporation and Peter J. Kight (19)*
10.32	Amendment No. 1 to Retention Agreement, dated as of August 2, 2007, between CheckFree Corporation and Peter J. Kight (20)*
10.33	Amendment No. 2 to Retention Agreement, dated as of December 22, 2008, between CheckFree Corporation and Peter J. Kight*
10.34	Form of Non-Employee Director Indemnity Agreement (14)
10.35	Fiserv, Inc. Non-Employee Director Deferred Compensation Plan (14)*
10.36	Non-Employee Director Compensation Schedule*
21.1	Subsidiaries of Fiserv, Inc.

Exhibit Number	Exhibit Description
23.1	Consent of Independent Registered Public Accounting Firm
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*	This exhibit is a management contract or compensatory plan or arrangement.
(1)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on July 8, 2008, and incorporated herein by reference.
(2)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on April 3, 2008, and incorporated herein by reference.
(3)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on May 23, 2007, and incorporated herein by reference.
(4)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on December 3, 2008, and incorporated herein by reference.
(5)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on March 29, 2006, and incorporated herein by reference.
(6)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on November 13, 2007, and incorporated herein by reference.
(7)	Previously filed as an exhibit to the Company's Registration Statement on Form S-3 (File No. 333-147309) filed on November 13, 2007, and incorporated herein by reference.
(8)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on November 20, 2007, and incorporated herein by reference.
(9)	Previously filed as an exhibit to the Company's Proxy Statement on Schedule 14A filed on February 25, 2005, and incorporated herein by reference.
(10)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on November 24, 2008, and incorporated herein by reference.
(11)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on December 7, 2007, and incorporated herein by reference.
(12)	Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on October 22, 2004, and incorporated herein by reference.
(13)	Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on March 15, 2006, and incorporated herein by reference.
(14)	Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 28, 2008, and incorporated herein by reference.
(15)	Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on May 9, 2008, and incorporated herein by reference.
(16)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on December 23, 2008, and incorporated herein by reference.
(17)	Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on November 7, 2005, and incorporated herein by reference.
(18)	Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on April 28, 2006, and incorporated herein by reference.
(19)	Previously filed as an exhibit to CheckFree Corporation's Current Report on Form 8-K filed on July 31, 2007, and incorporated herein by reference.
(20)	Previously filed as an exhibit to CheckFree Corporation's Current Report on Form 8-K filed on August 7, 2007, and incorporated herein by reference.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN
FORM OF
RESTRICTED STOCK UNIT AWARD MEMORANDUM –
NON-EMPLOYEE DIRECTOR

Non-Employee Director:

[FIRST NAME] [LAST NAME]

Grant Date:

[GRANT DATE]

Number of Shares Subject to Award:

[NUMBER OF SHARES]

Vesting Schedule:

This Award will vest, and the Shares subject to this Award will be issued (subject to any deferral election made pursuant to Section 2), on the earlier of: (i) the first anniversary of the Grant Date; or (ii) immediately prior to the first annual meeting of shareholders of the Company that occurs in the year following the year of the Grant Date.

Additional terms and conditions of your Award are included in the Restricted Stock Unit Agreement (Non-Employee Director). As a condition to your receipt of Shares, you must log on to Fidelity's website at www.netbenefits.fidelity.com and accept the terms and conditions of this Award within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Award within such time at www.netbenefits.fidelity.com, this Award will be forfeited and immediately terminate.

**FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT
(Non-Employee Director)**

Pursuant to the Fiserv, Inc. 2007 Omnibus Incentive Plan (the "Plan"), Fiserv, Inc., a Wisconsin corporation (the "Company"), hereby grants to you an award of Restricted Stock Units (the "Award") entitling you to receive such number of shares of Company common stock (the "Shares") as is set forth above on the terms and conditions set forth in this agreement (this "Agreement") and the terms of the Plan. Capitalized terms used in this Agreement and not defined herein shall have the meanings set forth in the Plan.

1. **Vesting Provisions.**

(a) Provided you are serving on the Company's board of directors (the "Board") on such date, this Award will vest, and the Shares subject to this Award will be issued (subject to any deferral election made pursuant to Section 2), on the earlier of: (i) the first anniversary of the Grant Date; or (ii) immediately prior to the first annual meeting of shareholders of the Company that occurs in the year following the year of the Grant Date.

(b) In the event of your resignation, removal, or other termination from the Board (a "Termination") for any reason before the Award vests, the Award will terminate and you will have no right to receive any Shares hereunder; provided, however, that in the event of your Termination by reason of death, this Award will vest in full and all of the Shares subject hereto shall be immediately issuable; and provided, further, the Board may in its sole discretion accelerate the vesting of this Award in the event of your Termination by any reason other than death.

(c) The Company will have no further obligations to you under this Award if the Award terminates as provided herein.

(d) If the Company declares a cash dividend, you will be credited with an additional number of Restricted Stock Units on the date the cash dividends are paid to the Company shareholders equal to the amount of cash dividends payable with respect to a number of shares of stock equal to your Restricted Stock Units divided by the Fair Market Value of a Share on the date the dividend is paid. These additional Restricted Stock Units will be subject to all of the terms and conditions of this Agreement and the Plan.

2. **Deferral.** You may elect, no later than December 31, 2008, to defer all or any portion (in 25% increments) of the number of Shares that would otherwise be issued pursuant to this Award. Such deferred Shares will be credited to the Deferred Compensation Plan for Non-Employee Directors of Fiserv, Inc. (the "Deferred Compensation Plan") at the time they would have otherwise been issued to you, and will thereafter be subject to all of the terms and conditions of the Deferred Compensation Plan. Notwithstanding the foregoing, the deferral election shall be ineffective with regard to any Shares that are issued under the Award during 2008, such as in the event of your death.

3. **Issuance of Shares.** Subject to Section 2, the Company, or its transfer agent, will issue and deliver the Shares to you as soon as practicable after the Award vests. If you die before the Company has distributed any portion of the vested Shares, the Company will issue the Shares to your estate or in accordance with applicable laws of descent and distribution.

4. **Withholding Taxes.** The Company will not withhold any federal, state or local income taxes in connection with the Shares. You will be solely responsible for any tax liability associated with the Award and the Shares.

5. **Non-transferability of Award.** Until the Shares have been issued under this Award, this Award and the Shares issuable hereunder and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated by operation of law or otherwise (except as permitted by the Plan). Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of such award, or of any right or privilege conferred hereby, contrary to the provisions of the Plan or of this Agreement, or upon any attempted sale under any execution, attachment or similar process upon the rights and privileges conferred hereby, this Award and the rights and privileges conferred hereby shall immediately become null and void.

6. **Conditions to Issuance of Shares.** The shares of stock deliverable to you hereunder may be either previously authorized but unissued shares or issued shares which have been reacquired by the Company. The Company shall not be required to issue any certificate or certificates for Shares prior to fulfillment of all of the following conditions: (a) the admission of such Shares to listing on all stock exchanges on which such class of stock is then listed; (b) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body, which the Compensation Committee of the Company's Board of Directors (the "Compensation Committee") shall, in its discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency, which the Compensation Committee shall, in its discretion, determine to be necessary or advisable; (d) the lapse of such reasonable period of time following the date of grant of the Shares as the Compensation Committee may establish from time to time for reasons of administrative convenience; and (e) your acceptance of the terms and conditions of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.
7. **No Rights as Stockholder.** Until this Awards vests and the Shares are issued to you, you shall have no rights as a shareholder of the Company with respect to the Shares. Specifically, you understand and agree that you do not have voting rights or, except as provided herein, the right to receive dividends or any and other distributions paid with respect to shares of Company common stock by virtue of this Award or the Shares subject hereto.
8. **Plan Governs.** This Agreement is subject to all the terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern.
9. **Addresses for Notices.** Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company as follows: Corporate Secretary, Fiserv, Inc., 255 Fiserv Drive, Brookfield, WI 53045, or at such other address as the Company may hereafter designate in writing. Any notice to be given to the Director shall be addressed to the Director at the address set forth in the Company's records from time to time, or at such other address for the Director maintained on the books and records of the Company.
10. **Captions; Agreement Severable.** Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.
11. **Securities and Tax Representations.** You acknowledge receipt of the prospectus under the Registration Statement on Form S-8 with respect to the Plan filed by the Company with the Securities and Exchange Commission. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan, this Agreement and any disposition of Shares. You represent and warrant that you understand the Federal, state and local income tax consequences associated with the receipt and vesting of this Award and with respect to the deferral of any Shares otherwise issuable hereunder.
12. **General.** Neither the Plan nor this Agreement confers upon you any right to continue to serve as a director. This Agreement and the Plan contain the entire agreement between the Company and you relating to the Award and the Shares and supersede all prior agreements or understandings relating thereto. This Agreement may only be modified, amended or cancelled as provided in the Plan.

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. By accepting this Award, you agree that this Award is governed by this Agreement and by the terms and conditions contained in the Plan, as amended from time to time and incorporated into this Agreement by reference. A copy of the Plan and the Plan prospectus is accessible on the Company's administrative agent's website in the "forms library" (www.netbenefits.fidelity.com) and a paper copy is available upon request from Human Resources. 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.

By selecting the "I accept" box on the website of our administrative agent, you acknowledge your acceptance of, and agreement to be bound by the terms of, this Agreement and the Plan.

Your acceptance of the terms of this Agreement and the Plan through our administrative agent's website is a condition to your receipt of Shares. You must log on to our administrative agent's website and accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within such time, this Award will be forfeited and immediately terminate.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN
 FORM OF
 RESTRICTED STOCK UNIT AWARD MEMORANDUM –
EMPLOYEE (SENIOR MANAGEMENT)

Employee: [FIRST NAME] [LAST NAME]

Grant Date: [GRANT DATE]

Number of Shares Subject to Award: [NUMBER OF SHARES]

Vesting Schedule:

1/3	2nd anniversary of Grant Date
1/3	3rd anniversary of Grant Date
1/3	4th anniversary of Grant Date

Additional terms and conditions of your Award are included in the Employee Restricted Stock Unit Agreement. As a condition to your receipt of Shares, you must log on to Fidelity's website at www.netbenefits.fidelity.com and accept the terms and conditions of this Award within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Award within such time at www.netbenefits.fidelity.com, this Award will be forfeited and immediately terminate.

Note: Section 3(c) of the Employee Restricted Stock Unit Agreement contains provisions that restrict your activities. These provisions apply to you and, by accepting this Award, you agree to be bound by these restrictions.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN
EMPLOYEE RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Fiserv, Inc. 2007 Omnibus Incentive Plan (the "Plan"), Fiserv, Inc., a Wisconsin corporation (the "Company"), has granted you Restricted Stock Units (the "Award") entitling you to receive such number of shares of Company common stock (the "Shares") as is set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this "Agreement") and the terms of the Plan. Capitalized terms used in this Agreement and not defined herein shall have the meanings set forth in the Plan.

In the event of a conflict between the terms of this Agreement or the Award Memorandum and the terms of the Plan, the terms of the Plan shall govern. In the event of a conflict between the terms of this Agreement and the Award Memorandum, the terms of this Agreement shall govern.

1. **Grant Date.** The Award is granted to you on the Grant Date set forth in the Award Memorandum.
2. **Vesting.** Provided that you are an employee as of the applicable date, this Award will vest, and subject to any deferral election then in effect, the Shares subject to this Award will be issued, as indicated in the Award Memorandum.
3. **Confidential Information; Non-Competition; Related Covenants**
 - (a) Definitions.
 - (i) "Fiserv" means the Company, its direct and indirect subsidiaries, affiliated entities, successors, and assigns.
 - (ii) "Confidential Information" means all trade secrets, Innovations (as defined below), confidential or proprietary business information and data, computer software, and database technologies or technological information, formulae, templates, algorithms, designs, process and systems information, processes, intellectual property rights, marketing plans, client lists and specifications, pricing and cost information and any other confidential information of Fiserv or its clients, vendors or subcontractors that relates to the business of Fiserv or to the business of any client, vendor or subcontractor of Fiserv or any other party with whom Fiserv agrees to hold information in confidence, whether patentable, copyrightable or protectable as a trade secret or not, except:
(A) information that is, at the time of disclosure, in the public domain or that is subsequently published or otherwise becomes part of the public domain through no fault of yours; or
(B) information that is disclosed by you under order of law or governmental regulation; provided, however, that you agree to notify the General Counsel of Fiserv upon receipt of any request for disclosure as soon as possible prior to any such disclosure so that appropriate safeguards may be maintained.
 - (iii) "Competing Product or Service" means any product or service that is sold in competition with, or is being developed and that will compete with, a product or service developed, manufactured, or sold by Fiserv. For purposes of this Section 3, Competing Products or Services as to you are limited to products and/or services with respect to which you participated in the development, planning, testing, sale, marketing or evaluation on behalf of Fiserv during any part of your employment with Fiserv, or after the termination of your employment, during any part of the 24 months preceding the termination of your employment with Fiserv, or for which you supervised one or more Fiserv employees, units, divisions or departments in doing so.

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- (iv) “Competitor” means an individual, business or any other entity or enterprise engaged or having publicly announced its intent to engage in the sale or marketing of any Competing Product or Service.
 - (v) “Innovations” means all developments, improvements, designs, original works of authorship, formulas, processes, software programs, databases, and trade secrets, whether or not patentable, copyrightable or protectable as trade secrets, that you, either by yourself or jointly with others, create, modify, develop, or implement during the period of your employment with Fiserv that relate in any way to Fiserv’s business.
 - (vi) “Moral Rights” means any rights to claim authorship of a work of authorship, to object to or prevent the modification of any such work of authorship, or to withdraw from circulation or control the publication or distribution of any such work of authorship.
 - (vii) “Client” means any person, association or entity: (A) for which you directly performed services or for which you supervised others in performing services with Fiserv, during any part of your employment with Fiserv, or after the termination of your employment, during any part of the 24 months preceding the termination of your employment with Fiserv; or (B) about which you have Confidential Information as a result of your employment with Fiserv.
 - (viii) “Prospective Client” means any client: (A) with which Fiserv was in active business discussions or negotiations at any time during any part of your employment with Fiserv, or after the termination of your employment, during any part of the 24 months preceding the termination of your employment with Fiserv, in which you participated or for which you directly performed services or for which you supervised others in performing services with Fiserv; or (B) about which you have Confidential Information as a result of your employment with Fiserv.
- (b) During your employment, Fiserv will provide you with Confidential Information relating to Fiserv, its business and clients, the disclosure or misuse of which would cause severe and irreparable harm to Fiserv. You agree that all Confidential Information is and shall remain the sole and absolute property of Fiserv. Upon the termination of your employment for any reason, you shall immediately return to Fiserv all documents and materials that contain or constitute Confidential Information, in any form whatsoever, including but not limited to, all copies, abstracts, electronic versions, and summaries thereof. You further agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the board of directors of the Company:
- (i) You will not disclose, use, copy or duplicate, or otherwise permit the use, disclosure, copying or duplication of any Confidential Information of Fiserv, other than in connection with the authorized activities conducted in the course of your employment with Fiserv. You agree to take all reasonable steps and precautions to prevent any unauthorized disclosure, use, copying or duplication of Confidential Information.
 - (ii) All Innovations are and shall remain the sole and absolute property of Fiserv. You will provide all assistance requested by Fiserv, at its expense, in the preservation of its interest in any Innovations in any country, and hereby assign and agree to assign to Fiserv all rights, title and interest in and to all worldwide patents, patent applications, copyrights, trade secrets and other intellectual property rights in any Innovation. You also assign and agree to assign to Fiserv, or, where applicable, to waive, which waiver shall inure to the benefit of Fiserv and its assigns, all Moral Rights in any Innovation.

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- (c) You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the board of directors of the Company, you shall not engage in any of the conduct described in subsections (i) or (ii), below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation:
- (i) During the time of your employment with Fiserv, you will not: (A) perform duties as or for a Competitor, Client or Prospective Client of Fiserv (except to the extent required by your employment with Fiserv); or (B) participate in the inducement of or otherwise encourage Fiserv employees, clients, or vendors to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv;
 - (ii) For a period of 12 months following the termination of your employment with Fiserv, you will not: (A) perform duties as or for a Competitor, Client or Prospective Client of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv; (B) participate in the inducement of or otherwise encourage Fiserv employees, clients, or vendors to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv during any part of the 24 month period preceding the termination of your employment with Fiserv; or (C) participate voluntarily or provide assistance or information to any person or entity either negotiating with Fiserv involving a Competing Product or Service, or concerning a potential or existing business or legal dispute with Fiserv, including, but not limited to, litigation, except as may be required by law.

No provision of these subsections (i) and (ii) shall apply to restrict your conduct, or trigger any reimbursement obligations under this Agreement, in any jurisdiction where such provision is, on its face, unenforceable and/or void as against public policy, unless the provision may be construed or deemed amended to be enforceable and compliant with public policy, in which case the provision will apply as construed or deemed amended.

- (d) You acknowledge and agree that compliance with this Section 3 is necessary to protect the Company, and that a breach of any of this Section 3 will result in irreparable and continuing damage to the Company for which there will be no adequate remedy at law. In the event of a breach of this Section 3, or any part thereof, the Company, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. The Company shall institute and prosecute proceedings in any Court of competent jurisdiction either in law or in equity to obtain damages for any such breach of this Section 3, or to enjoin you from performing services in breach of Section 3(c), during the term of employment and for a period of 12 months following the termination of employment. You hereby agree to submit to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.
- (e) You further agree that, in the event of your breach of this Section 3, the Company shall also be entitled to recover the value of any amounts previously paid or payable or any shares (or the value of any shares) delivered or deliverable to you pursuant to any Fiserv bonus program, this Agreement, and any other Fiserv plan or arrangement.

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- (f) You agree that the terms of this Agreement shall survive the termination of your employment with the Company.
 - (g) YOU HAVE READ THIS SECTION 3 AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE POST-EMPLOYMENT RESTRICTIONS ON YOUR ACTIVITIES ARE LIKEWISE FAIR AND REASONABLE.

4. **Termination of Employment.**

- (a) If you cease to be an employee of either the Company or any subsidiary of the Company for any reason (a "Termination Event"), the unvested portion of the Award shall terminate on the date on which such Termination Event occurs; provided that, if the reason for your Termination Event is death, Disability or Retirement, then the number of Shares issuable under this Award as of the date of your death, Disability or Retirement, subject to any deferral election then in effect, shall be calculated as follows: (i) the total number of Shares subject to this Award divided by four times (ii) the number of Grant Date anniversaries that have occurred since the Grant Date minus (iii) the number of Shares already issued to you or deferred pursuant to the Award.

For purposes of this Section 4, "Retirement" means the cessation of service as an employee for any reason other than death, Disability or termination for Cause: (A) if you are at least 60 years of age and your age plus years of service to the Company and its subsidiaries is equal to or greater than 70; or (B) if you are least 65 years of age. If you are regularly scheduled to work less than 20 hours per calendar week for the Company or any subsidiary of the Company, you will be deemed to have experienced a Termination Event.

- (b) If a Change of Control of the Company occurs, the provisions of Section 17(c) of the Plan shall apply to this Award. If the successor or purchaser in the Change of Control has assumed the Company's obligations with respect to this Award or provided a substitute award as contemplated by Section 17(c)(i) of the Plan and, within 12 months following the occurrence of the Change of Control, you are terminated without Cause or you terminate your employment for Good Reason (as hereinafter defined), this Award or such substitute award shall become fully vested, and the provisions of Section 3 shall immediately cease to apply.

"Good Reason" means 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.

- (c) For purposes of this Agreement, an employee of the Company, if also serving as a director, will not be deemed to have terminated employment for purposes of this Agreement until his or her service as a director ends, and his or her years of service will be deemed to include years of service as a director.

(d) The Company will have no further obligations to you under this Award if the Award terminates as provided herein.

5. **Deferral of Restricted Stock Units.** Within the first ninety (90) days following the Grant Date of this Award, you may elect to defer all or part (in whole numbers only) of the Shares otherwise issuable under this Award until the earliest to occur of:

- (a) Your separation from service with the Company; provided that if you are a specified employee on the date of your separation from service, the Shares will be issued immediately following the six-month anniversary of the date of your separation from service;
- (b) The date of your death;
- (c) The date you become disabled;
- (d) The date you select on the deferral election form, which must be the second, third, fourth or fifth anniversary of the date the Restricted Stock Units vest; or
- (e) A Change in Control of the Company. In the event of a Change in Control of the Company that results in the issuance of Shares under this subsection (e), any deferral election then in effect under this Agreement and that applies to any Restricted Stock Units that will vest after the date of a Change in Control of the Company shall be cancelled.

During the deferral period, the deferred Shares will be accounted for as Stock Units. If the Company declares a cash dividend, you will be credited with an additional number of Stock Units on the date the cash dividends are paid to the Company shareholders equal to the amount of cash dividends payable with respect to a number of shares of stock equal to your Stock Units divided by the Fair Market Value of a Share on the date the dividend is paid. These additional Stock Units will be subject to all of the terms and conditions of this Agreement and the Plan.

For purposes of this Section 5, the terms "separation from service," "specified employee" and "disability" shall have the meanings given in the regulations promulgated under Code Section 409A, all as determined by applying the default rules thereof.

6. **Issuance of Shares.** The Company, or its transfer agent, will issue and deliver the Shares to you as soon as practicable after the Award vests, or, if a deferral election was made, at the time specified in Section 5; provided that, if no deferral election is in effect and vesting occurs as a result of your Retirement, the Shares will be delivered upon your separation from service within the meaning of Code Section 409A, or if you are a specified employee within the meaning of Code Section 409A, immediately following the six-month anniversary of the date of your separation from service. If you die before the Company has distributed any portion of the vested Shares, the Company will issue the Shares to your estate or in accordance with applicable laws of descent and distribution.

7. **Non-Transferability of Award.** Until the Shares have been issued under this Award, this Award and the Shares issuable hereunder and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise). Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this Award, or of any right or privilege conferred hereby, contrary to the provisions of the Plan or of this Agreement, or upon any attempted sale under any execution, attachment or similar process upon the rights and privileges conferred hereby, this Award and the rights and privileges conferred hereby shall immediately become null and void.

8. **Conditions to Issuance of Shares.** The shares of stock deliverable to you hereunder may be either previously authorized but unissued shares or issued shares which have been reacquired by the Company. The Company shall not be required to issue any Shares hereunder prior to fulfillment of all of the following conditions: (a) the admission of such Shares to listing on all stock exchanges on which such class of stock is then listed; (b) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body, which the compensation committee of the board of directors (the "Compensation Committee") shall, in its discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency, which the Compensation Committee shall, in its discretion, determine to be necessary or advisable; (d) the lapse of such reasonable period of time following the date of vesting of the Award or the payment event specified in Section 5 as the Compensation Committee may establish from time to time for reasons of administrative convenience; and (e) your acceptance of the terms and conditions of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.

9. **Dividends; Rights as Stockholder.** If the Company declares a cash dividend, you will be credited with an additional number of Restricted Stock Units on the date the cash dividends are paid to the Company shareholders equal to the amount of cash dividends payable with respect to a number of shares of stock equal to your Restricted Stock Units divided by the Fair Market Value of a Share on the date the dividend is paid. These additional Restricted Stock Units will be subject to all of the terms and conditions of this Agreement and the Plan. Until this Awards vests and the Shares are issued to you, you shall have no rights as a shareholder of the Company with respect to the Shares. Specifically, you understand and agree that you do not have voting rights or, except as provided in this Section 9, the right to receive dividends or any and other distributions paid with respect to shares of Company common stock by virtue of this Award or the Shares subject hereto.

10. **Addresses for Notices.** Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company as follows: Corporate Secretary, Fiserv, Inc., 255 Fiserv Drive, Brookfield, WI 53045, or at such other address as the Company may hereafter designate in writing. Any notice to be given to you shall be addressed to you at the address set forth in the Company's records from time to time.

11. **Captions; Agreement Severable.** Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

12. **Securities and Tax Representations.** You acknowledge receipt of the prospectus under the Registration Statement on Form S-8 with respect to the Plan filed by the Company with the Securities and Exchange Commission. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan, this Agreement and any disposition of Shares. You represent and warrant that you understand the federal, state and local income and employment tax consequences associated with the granting of the Award, the vesting of the Award, the deferral of all or a portion of the Shares otherwise issuable upon vesting of the Award, and the subsequent sale or other disposition of any Shares. You hereby agree to provide the Company with cash funds or Shares equal in value to the 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 shall be determined by the Committee in its sole discretion.

13. **General Provisions.**

- (a) None of the Plan, this Agreement or the Award Memorandum confers upon you any right to continue to be employed by the Company or any subsidiary of the Company or limits in any respect any right of the Company or any subsidiary of the Company to terminate your employment at any time, without liability.
- (b) This Agreement, the Award Memorandum and the Plan contain the entire agreement between the Company and you relating to the Award and the Shares and supersede all prior agreements or understandings relating thereto.
- (c) This Agreement and the Award Memorandum may only be modified, amended or cancelled as provided in the Plan.
- (d) If any one or more provisions of this Agreement or the Award Memorandum is 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 and the Award Memorandum 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 agrees, and you agree, to be subject to and bound by all of the terms and conditions of the Plan. The Prospectus for the Plan is accessible on the Company's administrative agent's website in the "forms library" (www.netbenefits.fidelity.com) and a paper copy is available upon request.
- (g) This Award is transferable only by will or the laws of descent and distribution or as otherwise provided in the Plan, this Agreement and the Award Memorandum.
- (h) This Agreement and the Award Memorandum 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, this Agreement and the Award Memorandum, the Company may cancel or rescind this Award and/or the Shares in certain circumstances.

By selecting the "I accept" box on the website of our administrative agent, you acknowledge your acceptance of, and agreement to be bound by, this Agreement, the Award Memorandum and the Plan.

Your acceptance of the terms of this Agreement, the Award Memorandum and the Plan through our administrative agent's website is a condition to your receipt of Shares. You must log on to our administrative agent's website and accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within such time, this Award will be forfeited and immediately terminate.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN
FORM OF
NON-QUALIFIED STOCK OPTION AWARD MEMORANDUM
NON-EMPLOYEE DIRECTOR

Non-Employee Director: [FIRST NAME] [LAST NAME]

Grant Date: [GRANT DATE]

Number of Shares Subject to Option: [NUMBER OF SHARES]

Exercise Price Per Option Share: [EXERCISE PRICE]

Type of Option: Non-Qualified Stock Option

Vesting Schedule: The Option will vest 100% on the earlier of (a) immediately prior to first annual meeting of shareholders after the Grant Date or (b) the first anniversary of the Grant Date.

Expiration Date: 10 years after the Grant Date

Additional terms and conditions of your Award are included in the Non-Qualified Stock Option Agreement (Non-Employee Director). As a condition to your ability to exercise your Option, you must log on to Fidelity's website at www.netbenefits.fidelity.com and accept the terms and conditions of this Award within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Award within such time at www.netbenefits.fidelity.com, this Award will be forfeited and immediately terminate.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN

**NON-QUALIFIED STOCK OPTION AGREEMENT
(NON-EMPLOYEE DIRECTOR)**

Pursuant to the Fiserv, Inc. 2007 Omnibus Incentive Plan (the "Plan"), Fiserv, Inc., a Wisconsin corporation (the "Company"), has granted you an Option, the terms and conditions of which are set out below and in the Award Memorandum and the Plan. Any capitalized term used herein without definition has the meaning set forth in the attached Award Memorandum, which forms a part of this Non-Qualified Stock Option Agreement (Non-Employee Director) (this "Agreement"), or, if no such meaning is set forth in the Award Memorandum, the meaning set forth in the Plan.

In the event of a conflict between the terms of this Agreement or the Award Memorandum and the terms of the Plan, the terms of the Plan shall govern. In the event of a conflict between the terms of this Agreement and the Award Memorandum, the terms of this Agreement shall govern.

1. **Grant Date: Type of Option.** The Option is granted to you on the Grant Date set forth in the Award Memorandum. As a "non-qualified stock option," the Option will not be treated by you or the Company as an incentive stock option as defined in Section 422 of the Code.
2. **Termination of Option.** Your right to exercise the Option (and to purchase the Shares subject to the Option (the "Option Shares")) shall expire and terminate in all events on the earlier of (a) the Expiration Date set forth in the Award Memorandum or (b) the date upon which exercise is no longer permitted pursuant to Section 6 of this Agreement or (c) your failure to accept the terms of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.
3. **Exercise Price.** The purchase price to be paid upon the exercise of the Option will be the Exercise Price Per Option Share set forth in the Award Memorandum.
4. **Provisions Relating to Exercise.** Once you become entitled to exercise any part of the Option (and to purchase Option Shares) pursuant to the vesting schedule set forth in the Award Memorandum, that right will continue until the date on which the Option expires and terminates. The right to purchase Option Shares under the Option is cumulative, so that if the full number of Option Shares is not purchased in a single transaction, the balance may be purchased at any time or from time to time thereafter during the term of the Option. The Administrator, in its sole discretion, may at any time accelerate the time at which the Option becomes exercisable by you with respect to any Option Shares. 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, the Award Memorandum and the Plan.
5. **Exercise of Option.** To exercise the Option, you must complete the transaction through our administrative agent's website at www.netbenefits.fidelity.com or call its toll free number at (800) 544-9354, specifying the number of Option Shares being purchased as a result of such exercise, together with payment of the full Exercise Price for the Option Shares being purchased. In no event may a fraction of a share be exercised or acquired. You must also pay any taxes or other amounts required to be withheld as provided in Section 8 of this Agreement.

6. **Termination of Directorship.**

- (a) *Vesting.* If you cease to be a Director for any reason other than Cause, the Option may be exercised to the same extent that you were entitled to exercise the Option on the date you ceased to be a Director and had not previously done so, and the unvested Option Shares will immediately terminate and expire.
- (b) *Deadline for Exercise.*
 - (i) If you cease to be a Director by reason of death, Disability or Retirement, 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 the Option per the terms contained herein within one year after you cease to be a Director.
 - (ii) Subject to Section 6(d), if you cease to be a Director for any reason other than death, Disability or Retirement, you are entitled to exercise the Option per the terms contained herein within 90 days after you cease to be a Director.
 - (iii) If you die within such exercise periods, your executor, the administrator of your estate or your beneficiary may exercise the Option within one year after your death.
 - (iv) “Retirement” means the cessation of service as a director for any reason other than death, Disability or termination for Cause: (A) if you are at least 60 years of age and your age plus years of service to the Company and its subsidiaries is equal to or greater than 70; or (B) if you are least 65 years of age.
- (c) *Expiration.* Notwithstanding any provision contained in this Section 6 to the contrary, in no event may the Option be exercised to any extent by anyone after the Expiration Date set forth in the Award Memorandum.
- (d) *Termination for Cause.* If your service as a Director is terminated for Cause, the Option, whether or not vested, shall terminate immediately. In addition, if your service as a Director is terminated other than for Cause but the Administrator later determines that it could have been terminated for Cause if all facts had been known at the time it was terminated, the Option, whether or not vested, will terminate immediately on the date of such determination.
- (e) *Change of Control.* If a Change of Control of the Company occurs, the provisions of Section 17(c) of the Plan shall apply to the Option.

7. **Securities Representations.**

- (a) You acknowledge receipt of the prospectus under the Registration Statement on Form S-8 with respect to the Plan filed by the Company with the Securities and Exchange Commission. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan and the grant and exercise of the Option and the disposition of the Option Shares, including without limitation federal and state securities and “blue sky” laws.
- (b) 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 (i) prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act or (ii) implement the provisions of the Plan or any agreement between the Company and you with respect to such Option Shares.

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8. **Tax Representations.** You represent and warrant that you understand the federal, state and local income tax consequences of the granting of the Option to you, the exercise of the Option, and purchase of Option Shares, and the subsequent sale or other disposition of any Option Shares. 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 other disposition.
9. **General Provisions.**
- (a) None of the Plan, this Agreement or the Award Memorandum confers upon you any right to continue to serve as a Director.
 - (b) This Agreement, the Award Memorandum and the Plan contain the entire agreement between the Company and you relating to the Option and supersede all prior agreements or understandings relating thereto.
 - (c) This Agreement and the Award Memorandum may only be modified, amended or cancelled as provided in the Plan.
 - (d) If any one or more provisions of this Agreement or the Award Memorandum is 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 and the Award Memorandum 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 agrees, and you agree, to be subject to and bound by all of the terms and conditions of the Plan. The Prospectus for the Plan is accessible on the administrative agent's website (www.netbenefits.fidelity.com) in the "forms library" and a paper copy is available upon request.
 - (g) Except as provided in the Plan, the Option is not transferable other than by will or the laws of descent and distribution, and it may be exercised, during your lifetime, only by you or your legal representatives.
 - (h) This Agreement and the Award Memorandum 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 shall not have the rights of a shareholder with respect to any shares of common stock to be acquired upon exercise of the Option until such shares have been issued.
 - (j) You understand that, under the terms of the Plan, this Agreement and the Award Memorandum, the Company may cancel or rescind the Option in certain circumstances.

By selecting the "I accept" box on the website of our administrative agent, you acknowledge your acceptance of, and agreement to be bound by, this Agreement, the Award Memorandum and the Plan.

Your acceptance of the terms of this Agreement, the Award Memorandum and the Plan through our administrative agent's website is a condition to your ability to exercise your Option. You must log on to our administrative agent's website and accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within such time, this Award will be forfeited and immediately terminate.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN

FORM OF
 STOCK OPTION AWARD MEMORANDUM –
EMPLOYEE (SENIOR MANAGEMENT)

Employee: [FIRST NAME] [LAST NAME]

Grant Date: [GRANT DATE]

Number of Shares Subject to Option: [NUMBER OF SHARES]

Exercise Price Per Option Share: [EXERCISE PRICE]

Type of Option:

Vesting Schedule:

Number of Option Shares

1/3 of Option Shares

1/3 of Option Shares

1/3 of Option Shares

Date Exercisable

1st anniversary of Grant Date

2nd anniversary of Grant Date

3rd anniversary of Grant Date

Expiration Date:

10 years after the Grant Date

Additional terms and conditions of your Award are included in the Employee Stock Option Agreement. As a condition to your ability to exercise your Option, you must log on to Fidelity's website at www.netbenefits.fidelity.com and accept the terms and conditions of this Award within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Award within such time at www.netbenefits.fidelity.com, this Award will be forfeited and immediately terminate.

Note: Section 5(c) of the Employee Stock Option Agreement contains certain restrictions on your activities. These provisions apply to you and, by accepting this Award, you agree to be bound by these restrictions.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN

EMPLOYEE STOCK OPTION AGREEMENT

Pursuant to the Fiserv, Inc. 2007 Omnibus Incentive Plan (the "Plan"), Fiserv, Inc., a Wisconsin corporation (the "Company"), has granted you an Option, the terms and conditions of which are set out below and in the Award Memorandum and the Plan. Any capitalized term used herein without definition has the meaning set forth in the attached Award Memorandum, which forms a part of this Employee Stock Option Agreement (this "Agreement"), or, if no such meaning is set forth in the Award Memorandum, the meaning set forth in the Plan.

In the event of a conflict between the terms of this Agreement or the Award Memorandum and the terms of the Plan, the terms of the Plan shall govern. In the event of a conflict between the terms of this Agreement and the Award Memorandum, the terms of this Agreement shall govern.

1. **Grant Date; Type of Option.** The Option is granted to you on the Grant Date set forth in the Award Memorandum. If the Option is designated as a "non-qualified stock option" in the Award Memorandum, then the Option will not be treated by you or the Company as an incentive stock option as defined in Section 422 of the Code. If the Option is designated as an "incentive stock option" in the Award Memorandum, then the Option is intended to satisfy the requirements of Section 422 of the Code.
2. **Termination of Option.** Your right to exercise the Option (and to purchase the Shares subject to the Option (the "Option Shares")) shall expire and terminate in all events on the earlier of (a) the Expiration Date set forth in the Award Memorandum or (b) the date upon which exercise is no longer permitted pursuant to Section 7 of this Agreement or (c) your failure to accept the terms of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.
3. **Exercise Price.** The purchase price to be paid upon the exercise of the Option will be the Exercise Price Per Option Share set forth in the Award Memorandum.
4. **Provisions Relating to Exercise.** Once you become entitled to exercise any part of the Option (and to purchase Option Shares) pursuant to the vesting schedule set forth in the Award Memorandum, that right will continue until the date on which the Option expires and terminates. The right to purchase Option Shares under the Option is cumulative, so that if the full number of Option Shares is not purchased in a single transaction, the balance may be purchased at any time or from time to time thereafter during the term of the Option. The Administrator, in its sole discretion, may at any time accelerate the time at which the Option becomes exercisable by you with respect to any Option Shares. 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, the Award Memorandum and the Plan.
5. **Confidential Information, Non-Competition and Related Covenants**
 - (a) Definitions.
 - (i) "Fiserv" means the Company, its direct and indirect subsidiaries, affiliated entities, successors, and assigns.
 - (ii) "Confidential Information" means all trade secrets, Innovations (as defined below), confidential or proprietary business information and data, computer software, and database technologies or technological information, formulae, templates, algorithms, designs, process and systems information, processes, intellectual property rights, marketing

plans, client lists and specifications, pricing and cost information and any other confidential information of Fiserv or its clients, vendors or subcontractors that relates to the business of Fiserv or to the business of any client, vendor or subcontractor of Fiserv or any other party with whom Fiserv agrees to hold information in confidence, whether patentable, copyrightable or protectable as a trade secret or not, except: (A) information that is, at the time of disclosure, in the public domain or that is subsequently published or otherwise becomes part of the public domain through no fault of yours; or (B) information that is disclosed by you under order of law or governmental regulation; provided, however, that you agree to notify the General Counsel of Fiserv upon receipt of any request for disclosure as soon as possible prior to any such disclosure so that appropriate safeguards may be maintained.

- (iii) “Competing Product or Service” means any product or service that is sold in competition with, or is being developed and that will compete with, a product or service developed, manufactured, or sold by Fiserv. For purposes of this Section 5, Competing Products or Services as to you are limited to products and/or services with respect to which you participated in the development, planning, testing, sale, marketing or evaluation on behalf of Fiserv during any part of your employment with Fiserv, or after the termination of your employment, during any part of the 24 months preceding the termination of your employment with Fiserv, or for which you supervised one or more Fiserv employees, units, divisions or departments in doing so.
- (iv) “Competitor” means an individual, business or any other entity or enterprise engaged or having publicly announced its intent to engage in the sale or marketing of any Competing Product or Service.
- (v) “Innovations” means all developments, improvements, designs, original works of authorship, formulas, processes, software programs, databases, and trade secrets, whether or not patentable, copyrightable or protectable as trade secrets, that you, either by yourself or jointly with others, create, modify, develop, or implement during the period of your employment with Fiserv that relate in any way to Fiserv’s business.
- (vi) “Moral Rights” means any rights to claim authorship of a work of authorship, to object to or prevent the modification of any such work of authorship, or to withdraw from circulation or control the publication or distribution of any such work of authorship.
- (vii) “Client” means any person, association or entity: (A) for which you directly performed services or for which you supervised others in performing services with Fiserv, during any part of your employment with Fiserv, or after the termination of your employment, during any part of the 24 months preceding the termination of your employment with Fiserv; or (B) about which you have Confidential Information as a result of your employment with Fiserv.
- (viii) “Prospective Client” means any client: (A) with which Fiserv was in active business discussions or negotiations at any time during any part of your employment with Fiserv, or after the termination of your employment, during any part of the 24 months preceding the termination of your employment with Fiserv, in which you participated or for which you directly performed services or for which you supervised others in performing services with Fiserv; or (B) about which you have Confidential Information as a result of your employment with Fiserv.

- (b) During your employment, Fiserv will provide you with Confidential Information relating to Fiserv, its business and clients, the disclosure or misuse of which would cause severe and irreparable harm to Fiserv. You agree that all Confidential Information is and shall remain the sole and absolute property of Fiserv. Upon the termination of your employment for any reason, you shall immediately return to Fiserv all documents and materials that contain or constitute Confidential Information, in any form whatsoever, including but not limited to, all copies, abstracts, electronic versions, and summaries thereof. You further agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company:
- (i) You will not disclose, use, copy or duplicate, or otherwise permit the use, disclosure, copying or duplication of any Confidential Information of Fiserv, other than in connection with the authorized activities conducted in the course of your employment with Fiserv. You agree to take all reasonable steps and precautions to prevent any unauthorized disclosure, use, copying or duplication of Confidential Information.
 - (ii) All Innovations are and shall remain the sole and absolute property of Fiserv. You will provide all assistance requested by Fiserv, at its expense, in the preservation of its interest in any Innovations in any country, and hereby assign and agree to assign to Fiserv all rights, title and interest in and to all worldwide patents, patent applications, copyrights, trade secrets and other intellectual property rights in any Innovation. You also assign and agree to assign to Fiserv, or where applicable, to waive, which waiver shall inure to the benefit of Fiserv and its assigns, all Moral Rights in any Innovation.
- (c) You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company, you shall not engage in any of the conduct described in subsections (i) or (ii), below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation:
- (i) During the time of your employment with Fiserv, you will not: (A) perform duties as or for a Competitor, Client or Prospective Client of Fiserv (except to the extent required by your employment with Fiserv); or (B) participate in the inducement of or otherwise encourage Fiserv employees, clients, or vendors to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv;
 - (ii) For a period of 12 months following the termination of your employment with Fiserv, you will not: (A) perform duties as or for a Competitor, Client or Prospective Client of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv; (B) participate in the inducement of or otherwise encourage Fiserv employees, clients, or vendors to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv during any part of the 24 month period preceding the termination of your employment with Fiserv; or (C) participate voluntarily or provide assistance or information to any person or entity either negotiating with Fiserv involving a Competing Product or Service, or concerning a potential or existing business or legal dispute with Fiserv, including, but not limited to, litigation, except as may be required by law.

No provision of these subsections (i) and (ii) shall apply to restrict your conduct, or trigger any reimbursement obligations under this Agreement, in any jurisdiction where such provision is, on its face, unenforceable and/or void as against public policy, unless the provision may be construed or deemed amended to be enforceable and compliant with public policy, in which case the provision will apply as construed or deemed amended.

- (d) You acknowledge and agree that compliance with this Section 5 is necessary to protect the Company, and that a breach of any of this Section 5 will result in irreparable and continuing damage to the Company for which there will be no adequate remedy at law. In the event of a breach of this Section 5, or any part thereof, the Company, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. The Company shall institute and prosecute proceedings in any Court of competent jurisdiction either in law or in equity to obtain damages for any such breach of this Section 5, or to enjoin you from performing services in breach of Section 5(c), during the term of employment and for a period of 12 months following the termination of employment. You hereby agree to submit to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.
 - (e) You further agree that, in the event of your breach of this Section 5, the Company shall also be entitled to recover the value of any amounts previously paid or payable or any shares (or the value of any shares) delivered or deliverable to you pursuant to any Fiserv bonus program, this Agreement, and any other Fiserv plan or arrangement.
 - (f) You agree that the terms of this Agreement shall survive the termination of your employment with the Company.
 - (g) YOU HAVE READ THIS SECTION 5 AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE POST-EMPLOYMENT RESTRICTIONS ON YOUR ACTIVITIES ARE LIKEWISE FAIR AND REASONABLE.
6. **Exercise of Option.** To exercise the Option, you must complete the transaction through our administrative agent's website at www.netbenefits.fidelity.com or call its toll free number at (800) 544-9354, specifying the number of Option Shares being purchased as a result of such exercise, together with payment of the full Exercise Price for the Option Shares being purchased. In no event may a fraction of a share be exercised or acquired. You must also pay any taxes or other amounts required to be withheld as provided in Section 9 of this Agreement.

7. **Termination of Employment.**

- (a) *Vesting.* If you cease to be an employee of the Company or any subsidiary of the Company for any reason other than Cause (a "Termination Event"), the Option may be exercised to the same extent that you were entitled to exercise the Option on the date you ceased to be an employee and had not previously done so. The remaining Option Shares that are not vested on such date shall become exercisable as follows:

<u>Reason for Termination Event</u>	<u>Unvested Option Shares that Become Exercisable</u>
Death or Disability	100%
Retirement	100%
Any other reason	0%

For purposes of this Section 7, "Retirement" means the cessation of service as an employee for any reason other than death, Disability or termination for Cause: (A) if you are at least 60 years of age and your age plus years of service to the Company and its subsidiaries is equal to or greater than 70; or (B) if you are least 65 years of age.

If you are regularly scheduled to work less than 20 hours per calendar week for the Company or any subsidiary of the Company, you will be deemed to have experienced a Termination Event.

- (b) *Deadline for Exercise.*
- (i) If your Termination Event is by reason of death, Disability or Retirement, 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 the Option per the terms contained herein within one year after you experience said Termination Event.
 - (ii) Subject to Section 7(d), if your Termination Event is for a reason other than death, Disability or Retirement, you are entitled to exercise the Option per the terms contained herein within 90 days after you experience said Termination Event.
 - (iii) If you die within such exercise periods, your executor, the administrator of your estate, or your beneficiary may exercise the Option within one year after your death.
- (c) *Expiration.* Notwithstanding any provision contained in this Section 7 to the contrary, in no event may the Option be exercised to any extent by anyone after the Expiration Date set forth in the Award Memorandum.
- (d) *For Cause Termination Event.* If your employment is terminated for Cause (a "For Cause Termination Event"), the Option, whether or not vested, shall terminate immediately. In addition, if your employment is terminated other than for Cause but the Administrator later determines that it could have been terminated for Cause if all facts had been known at the time it was terminated, the Option, whether or not vested, will terminate immediately on the date of such determination. For the sake of clarity, in the event that you experience a For Cause Termination Event, there shall be no accelerated vesting under Section 7(a).
- (e) *Change of Control.* If a Change of Control of the Company occurs, the provisions of Section 17(c) of the Plan shall apply to the Option. If the successor or purchaser in the Change of Control has assumed the Company's obligations with respect to the Option or provided a substitute award as contemplated by Section 17(c)(i) of the Plan and, within 12 months following the occurrence of the Change of Control, you are terminated without Cause or you terminate your employment for Good Reason (as hereinafter defined), the Option or such substitute award shall become fully vested and exercisable with respect to all Option Shares covered by the Option as of the time immediately prior to such termination of employment and, notwithstanding any other provision hereof, the Option shall become exercisable by you for 90 days following such termination (or such longer period as is otherwise specified in Section 7(b)), and the provisions of Section 5 shall immediately cease to apply.

"Good Reason" means your suffering any of the following events without your consent: (x) a 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 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.

- (f) *Service as Director.* For purposes of this Agreement, an employee of the Company, if also serving as a Director, will not be deemed to have terminated employment for purposes of this Agreement until his or her service as a Director ends, and his or her years of service will be deemed to include years of service as a Director.

8. **Securities Representations.**

- (a) You acknowledge receipt of the prospectus under the Registration Statement on Form S-8 with respect to the Plan filed by the Company with the Securities and Exchange Commission. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan and the grant and exercise of the Option and the disposition of the Option Shares, including without limitation federal and state securities and “blue sky” laws.
- (b) 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 (i) prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act or (ii) implement the provisions of the Plan or any agreement between the Company and you with respect to such Option Shares.

9. **Tax Representations.** You represent and warrant that you understand the federal, state and local income and employment tax consequences of the granting of the Option to you, the exercise of the Option, and purchase of Option Shares and the subsequent sale or other disposition of any Option Shares. 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 unless the Option is an incentive stock option. 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 the Option shall be determined by the Committee in its sole discretion.

10. **General Provisions.**

- (a) None of the Plan, this Agreement or the Award Memorandum confers upon you any right to continue to be employed by the Company or any subsidiary of the Company or limits in any respect any right of the Company or any subsidiary of the Company to terminate your employment at any time, without liability.
- (b) This Agreement, the Award Memorandum and the Plan contain the entire agreement between the Company and you relating to the Option and supersede all prior agreements or understandings relating thereto.
- (c) This Agreement and the Award Memorandum may only be modified, amended or cancelled as provided in the Plan.

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- (d) If any one or more provisions of this Agreement or the Award Memorandum is 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 and the Award Memorandum 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 agrees, and you agree, to be subject to and bound by all of the terms and conditions of the Plan. The Prospectus for the Plan is accessible on the administrative agent's website (www.netbenefits.fidelity.com) in the "forms library" and a paper copy is available upon request.
 - (g) Except as provided in the Plan, the Option is not transferable other than by will or the laws of descent and distribution, and it may be exercised, during your lifetime, only by you or your legal representatives.
 - (h) This Agreement and the Award Memorandum 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 shall not have the rights of a shareholder with respect to any shares of common stock to be acquired upon exercise of the Option until such shares have been issued.
 - (j) You understand that, under the terms of the Plan, this Agreement and the Award Memorandum, the Company may cancel or rescind the Option in certain circumstances.

By selecting the "I accept" box on the website of our administrative agent, you acknowledge your acceptance of, and agreement to be bound by, this Agreement, the Award Memorandum and the Plan.

Your acceptance of the terms of this Agreement, the Award Memorandum and the Plan through our administrative agent's website is a condition to your ability to exercise your Option. You must log on to our administrative agent's website and accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within such time, this Award will be forfeited and immediately terminate.

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Agreement is made effective as of the 22nd day of December, 2008, by and between Fiserv, Inc., on behalf of itself and its subsidiaries and affiliates (**Company**), and Stephen Olsen ("**Employee**").

WHEREAS, the Company and Employee previously entered into an Employment Agreement that memorialized the terms of Employee's employment, which commenced as of December 3, 2007 (the "Employment Date");

WHEREAS, the Company and Employee desire to amend the terms of Employee's employment in order to ensure that such terms continue to comply with applicable laws, including Section 409A of the Internal Revenue Code of 1986, as amended;

WHEREAS the Employee desires to enter into an agreement to provide for his employment with the Company upon the terms provided in this Agreement;

WHEREAS the Company's information, including but not limited to its technology, products, intellectual property, customer lists, customer information, and its methods of doing business have been developed by the Company at considerable expense over a number of years, and are of considerable economic value to the Company;

WHEREAS Company wishes to assure itself that Employee will keep in confidence and not disclose any information disclosed to him by the Company during the term that he is employed by Company;

WHEREAS Company further wishes to assure itself that Employee will not compete with the Company during or for a reasonable period of time after the termination of his employment; and

WHEREAS Employee is willing to agree not to so compete with Company.

NOW THEREFORE, in consideration of the premises set forth herein and intending to be legally bound, the parties hereto agree as follows:

1. The Company agrees to employ Employee, and Employee agrees to be employed by the Company. During his employment, Employee agrees to serve as Group President of Internet Banking and Electronic Payments with such further responsibilities and duties commensurate with such position as contemplated by the Company's by-laws and reasonably implemented by the Board of Directors of Fiserv, Inc. and Employee's Direct Supervisor (as hereinafter defined) subject to the further terms and conditions of this Agreement.

2. Employee agrees to accumulate stock ownership in Fiserv, Inc. at a minimum level of three times the value of his salary, no later than the fifth anniversary of the date hereof.

3. This Agreement shall begin on the Employment Date with the initial period to continue until December 1, 2008 (the "**Term**"). At the expiration of the Term, Employee's employment shall be at-will and shall continue until terminated by either party upon written notice to the other party (the Term and the period of at-will employment thereafter, if any, shall be referred to herein as the "**Employment Term**").

4. Employee hereby represents that he is free and able to enter into this Agreement with Company and that there is no reason, known or unknown, which will prevent his performance of the terms and conditions contained in this Agreement.

5. During the Employment Term, Employee shall devote his full business time, best efforts and business judgment, faithfully, conscientiously and to the best of his ability to the advancement of the interests of the Company and to the discharge of the responsibilities and offices held by him. Employee shall not engage in any other business activity, whether or not pursued for pecuniary advantage, except as may be approved in advance by the Company, provided, however, that the foregoing shall not prohibit or limit Employee from participating in civic, charitable or other not-for-profit activities or to manage personal passive investments, provided that such activities do not materially interfere with Employee's services required under this Agreement and do not violate the Code of Conduct or other corporate policies of the Company. Employee hereby acknowledges that he has read the Company's Code of Conduct in effect as of the date hereof, attached hereto as Exhibit A, and agrees that he will comply with such Code of Conduct and other Company corporate policies regarding activities in the workplace, as they may be amended from time to time, in all material respects.

6. For all services to be rendered by Employee in any capacity during the Employment Term, the Company shall pay or cause to be paid to Employee and shall provide or cause to be provided to him the following:

(a) An annual base salary at a minimum rate of \$400,000 per year. Upon the expiration of the Term and thereafter, the Employee's direct supervisor ("**Direct Supervisor**") will determine Employee's annual base salary, it being understood by Employee that adjustments to annual base salary will be for unusual events and will not typically be made each year. To that end, Employee's Direct Supervisor will review annually the performance of Employee. The term "annual base salary" shall not include any payment or other benefit that is denominated as or is in the nature of a bonus, incentive payment, commission, profit-sharing payment, retirement or pension accrual, insurance benefit, other fringe benefit or expense allowance, whether or not taxable to Employee as income.

(b) In addition to the salary provided above, as of the Employment Date and thereafter, Employee shall be entitled to participate in the Management Bonus Plan or other incentive compensation program, as offered by the Company from time to time for senior executives of the Company. For calendar year 2008, Employee will have a target bonus of 100% of annual base salary as of the effective date of this Agreement (\$400,000) with an opportunity to achieve a maximum bonus of 200% of such annual base salary (\$800,000), to be paid no later than March 15, 2009, according to the Company's usual practice. If the Company terminates Employee for cause, as defined in

Section 7(c), or Employee voluntarily ceases his employment with the Company on or before the date of payment of any incentive compensation hereunder in March 2009, Employee shall not be entitled to any portion of any payment under the Management Bonus Plan or other incentive compensation program.

(c) The Employee has received and shall receive equity in the Company (each a "**Stock Program**") as follows:

(i) On the Employment Date hereunder, the Company has granted to Employee pursuant to the terms of the Fiserv, Inc. Stock Option and Restricted Stock Plan (the "**Stock Option and Restricted Stock Plan**") and the applicable award agreements, (A) an option to purchase 19,098 shares of Common Stock, \$.01 par value, of the Company at an exercise price of \$54.98 and (B) an award of 5,093 shares of restricted stock. Such options shall vest over a four-year period, with 1/3 of such options vesting on each of the second, third and fourth anniversary dates of the date of grant. Such restricted stock shall also vest over a four-year period, with 1/3 of such shares vesting on each of the second, third and fourth anniversary dates of the date of grant.

(ii) As of the Employment Date, Employee shall thereafter be eligible to participate in the Fiserv Senior Managers and Senior Professionals Stock Option and Restricted Stock Program. Options and restricted stock granted thereunder may be subject to participation levels and vesting schedules not commensurate with Employee's position and may be determined in connection with Employee's annual performance evaluation and granted annually during the Employment Term; provided, however, that such grants awarded during the Term shall be no less favorable than the grants issued by CheckFree to Employee for the calendar year 2007. If Employee shall not be employed by the Company on the date of grant of any options or restricted stock hereunder, Employee shall not be entitled to any portion of any such options or restricted stock award. Notwithstanding anything to the contrary, all awards of options or restricted stock are subject to the approval of the Board of Directors of Fiserv, Inc. or its designated committee and vesting of such equity awards will follow normal guidelines for similarly situated executives of the Company, established by the Board of Directors of Fiserv, Inc. at the time.

All stock options or restricted stock granted or issued hereafter will be subject to the terms of the Stock Option and Restricted Stock Plan as it may be amended from time to time and of the specific stock option or restricted stock agreement pursuant to which any such stock options or restricted stock may be granted or issued from time to time. The terms of the specific stock option or restricted stock agreement pursuant to which stock options or restricted stock may be granted or issued hereunder shall govern treatment of such stock options or restricted stock in the event of the death or disability (as defined in any such agreement) of Employee. Such options will also have vesting and other terms as specified in the stock option agreement covering such stock options or restricted stock, which may be different than other employees of the Company.

(d) In addition to the salary and incentive compensation provided above, Employee shall be entitled to participate in any employee benefit plans, welfare benefit plans, retirement plans, and other fringe benefit plans that are, during the Term, no less favorable in the aggregate than those currently provided by CheckFree to Employee; provided, however, that such right or participation in any such plans and the degree or amount thereof shall be subject to the terms of the applicable plan documents, generally applicable Company policies and to action by the Board of Directors of Fiserv, Inc. or any administrative or other committee provided in or contemplated by such plan, it being mutually agreed that this Agreement is not intended to impair the right of any committee or other group or person concerned with the administration of such plans to exercise in good faith the full discretion reposed in them by such plans.

(e) Employee shall be entitled to five weeks of paid vacation in each calendar year.

(f) Employee shall become fully vested in all outstanding equity in CheckFree at the Effective Time (as such term is defined in the Merger Agreement).

(g) All compensation or other benefits payable or owing to Employee hereunder shall be subject to withholding taxes and other legally required deductions pursuant to federal, state or local law.

7. Employee's employment hereunder shall terminate under the following circumstances:

(a) In the event Employee dies, this Agreement and the Company's obligations under this Agreement shall terminate as of the end of the month during which his death occurs.

(b) If Employee, due to physical or mental illness, becomes so disabled as to be unable to perform substantially all of his duties, the Employee's employment shall terminate according to the policies of the Company.

(c) Employee's employment may be terminated for cause, effective immediately upon written notice to Employee by the Company that shall set forth the specific nature of the reasons for termination. Only the following acts or omissions by Employee shall constitute "cause" for termination:

(i) dishonesty or similar serious misconduct, directly related to the performance of Employee's duties and responsibilities hereunder, which results from a willful act or omission and which is injurious to the operations, financial condition or business reputation of the Company;

(ii) Employee being named as a defendant in any criminal proceedings, and as a result of being named as a defendant, the operations, financial condition or reputation of the Company are materially injured or Employee is convicted of a crime;

(iii) Employee's drug or alcohol use in violation of any Company policy or which materially impairs the performance of his duties and responsibilities as set forth herein;

(iv) substantial, continuing willful and unreasonable inattention to, neglect of or refusal by Employee to perform Employee's duties or responsibilities under this Agreement;

(v) willful and intentional violation of a material provision of the Company's Code of Conduct, as it may be amended from time to time, or other Company corporate policies regarding activities in the workplace in effect at the time; or

(vi) any other willful or intentional breach or breaches of this Agreement by Employee, which breaches are, singularly or in the aggregate, not cured within 30 days of written notice of such breach or breaches to Employee from the Company.

(d) Employee's employment may be terminated by the Employee by written notice to the Company and Employee's Direct Supervisor in the event of a material breach by the Company of any of the provisions of this Agreement, provided, however, that the Company shall have been given notice at least 30 days in advance of the anticipated termination date and an opportunity to cure any such event of a material breach. In the event of termination pursuant to the first sentence of this subsection (d), Employee shall be entitled to receive termination benefits in accordance with subsection (f) below. If Employee terminates his employment for reasons other than those enumerated in the first sentence of this subsection (d), he or she shall not be entitled to termination benefits described in subsection (f) below.

(e) Employee's employment may be terminated at the election of the Company upon written notice to Employee by the Company at any time for the convenience of the Company.

(f)

(i) If, during the Term, Employee's employment is terminated by the Company for any reason other than as specified in subsection (a), (b), (c) or (d) above, subject to execution by Employee within 45 days of termination of employment, of a general release in favor of the Company (and failure to revoke such release), Employee shall be entitled to:

(A) receive a lump sum in the amount of \$1,181,743 and, subject to the last paragraph of this Section 7, such payment shall be made within 30 days after the date on which the Company receives the general release in favor of the Company;

(B) reimbursement by the Company to Employee for any expenses incurred by Employee for payment of COBRA premiums for the

period, up to eighteen (18) months, during which Employee is eligible for COBRA following the date of termination of his employment, or until Employee obtains health care coverage through subsequent employment, whichever is earlier.

(ii) If, following the Term, Employee's employment is terminated by the Company for any reason other than as specified in subsection (a), (b), (c) or (d) above, subject to execution by Employee within 45 days of termination of employment, of a general release in favor of the Company (and failure to revoke such release), Employee shall be entitled to:

(A) receive a lump sum in the amount equal to 12 months of Employee's annual base salary at the salary rate in effect immediately prior to the notice of termination, plus the smaller of the target bonus for the current year or bonus earned in the prior year and, subject to the last paragraph of this Section 7, such payment shall be made within 30 days after the date on which the Company receives the general release in favor of the Company;

(B) equity awards pursuant to Section 6(c)(i) and 6(c)(ii) above shall immediately vest and Employee shall have 30 days from the date of termination to exercise any options;

(C) the benefit of additional vesting of any options or shares of restricted stock granted to Employee pursuant to any Stock Program as though the Employee had been employed for the additional 12-month period; and

(D) reimbursement by the Company to Employee for any expenses incurred by Employee for payment of COBRA premiums for 12 months following the date of termination of his employment, or until the Employee obtains health care coverage through subsequent employment, whichever is earlier.

Any payment under this subsection (f) shall be subject to withholding taxes and other legally required deductions. Notwithstanding the foregoing, the lump sum payments described in clauses (i) (A) and (ii)(A) of this subsection (f) are considered nonqualified deferred compensation under Internal Revenue Code Section 409A, and thus if Employee is a "specified employee" of the Company within the meaning of Code Section 409A at the time of his Separation from Service (as defined below), no payment shall be made to Employee under either clause (i)(A) or (ii)(A) of this subsection (f) until the date that is six months after Employee's Separation from Service, at which time such payment shall be made in a lump sum to Employee. For purposes hereof, the term "Separation from Service" shall have the same meaning as ascribed to such term in the Double Trigger Key Executive Employment and Severance Agreement substantially in the form provided to Employee on the date hereof. All other compensation, incentive compensation and

benefits being received by Employee shall cease upon termination of employment, subject to applicable law.

8. The Employee Confidential Information and Development Agreement of the Company, attached hereto as Exhibit B, is hereby incorporated herein by reference. Employee hereby confirms that he is bound by its terms. Such confidential information is understood to include, without limitation, products, technology, intellectual property, customer lists, prospect lists and price lists, or any part of such items, and any information relating to Company's method and technique used in servicing its customers.

9.

(a) For purposes of this Section 9, the following definitions apply:

(i) "**Customer**" means any person, association or entity: (1) for which Employee has directly performed services, (2) for which Employee has supervised others in performing services, or (3) about which Employee has special knowledge as a result of his employment with the Company, during all or any part of the 24-month period ending on the date of the termination of his employment with the Company.

(ii) "**Competing Product or Service**" means any product or service which is sold in competition with, or is being developed and which will compete with, a product or service developed, manufactured, or sold by the Company. For purposes of this Agreement, "Competing Products or Services" are limited to products and/or services for which Employee participated in the development, planning, testing, sale, marketing or evaluation of on behalf of the Company in or during any part of the last 24 months of his employment with the Company, or for which Employee supervised one or more Company employees, units, divisions or departments in doing so.

(iii) "**Special Knowledge**" means material, non-public information about a person, association or entity that Employee learned as a result of his employment with the Company and/or the Company's client development or marketing efforts during all or any part of the last 24 months of his employment with the Company.

(b) Employee agrees that the Company's customer contacts and relations are established and maintained at great expense. Employee further agrees that, as an employee of the Company, he will have unique and extensive exposure to and contact with the Company's customers and employees, and that he will have had the opportunity to establish unique relationships that would enable him to compete unfairly against the Company. Moreover, Employee acknowledges that he will have had unique and extensive knowledge of the Company's trade secret and confidential information, and that such information, if used by him or others, would allow him or others to compete unfairly against the Company. Therefore, in consideration of the compensation and benefits paid to him pursuant to this Agreement, Employee agrees that, (i) if his

employment terminates during the Term, for a period of 24 months or (ii) if his employment terminates at any time after the Term, for a period of 12 months, after the date of the termination of his employment by the Company or Employee, Employee will not, either on his own behalf or on behalf of any other person, association or entity:

(i) Contact any Customer for the purpose of soliciting or inducing such client to purchase a Competing Product or Service;

(ii) Solicit an employee of the Company to terminate his employment with the Company;

(iii) Become financially interested in, be employed by or have any connection with, directly or indirectly, either individually or as owner, partner, agent, employee, consultant, creditor or otherwise, except for the account of or on behalf of the Company, or its affiliates, in any business or activity listed on Exhibit C, or any affiliate, successor or assign of such business or activity or any other business enterprise that engages in substantial competition with the Company or any of its subsidiaries in the business of providing management solutions to the financial industry; provided, however, that nothing in this Agreement shall prohibit Employee from owning publicly traded stock or other securities of a competitor amounting to less than one percent of such outstanding class of securities of such competitor; or

(iv) Become an owner, partner, director or officer of a company that develops, sells or markets a Competing Product or Service.

(c) Notwithstanding any other provision of this Agreement, this Section 9:

(i) Shall not bar Employee from all employment. Employee warrants and agrees that there are ample employment opportunities that he could fill following his employment with the Company, in his field of experience, without violating this Agreement;

(ii) Shall not bar Employee from performing clerical, menial or manual labor;

(iii) Subject to Section 9(b)(iii), including the proviso thereof, shall not prohibit Employee from investing as a passive investor in the capital stock or other securities of a publicly traded corporation listed on a national security exchange.

10. Employee acknowledges and agrees that compliance with this Agreement is necessary to protect the Company, and that a breach of this Agreement will result in irreparable and continuing damage to the Company for which there will be no adequate remedy at law. Employee hereby agrees that in the event of any such breach of this Agreement, the Company, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. Employee further agrees that, in the event of his breach of this Agreement, the Company shall be entitled to recover the value of any amounts

previously paid or payable to Employee pursuant to Section 6(b) hereof and of any Stock Program. Employee understands and agrees that the losses incurred by the Company as a result of such breach of this Agreement would be difficult or impossible to calculate, as they are based on, among other things, the value of the knowledge and information gained by the Employee at the expense of the Company, but that the actual value exceeds the amounts paid or payable to Employee pursuant to Section 6(b) and any Stock Program. Accordingly, the amount paid or payable to Employee pursuant to Section 6(b) and any Stock Program herein represents the Employee's agreement to pay and the Company's agreement to accept as liquidated damages, and not as a penalty, such amount for any such Employee breach. Employee and the Company hereby agree to submit themselves to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.

11. Employee agrees that the terms of this Agreement shall survive the termination of his employment with the Company.

12. This Agreement sets forth the entire understanding between the parties hereto with respect to the subject matter hereof, and supercedes and replaces any prior or other agreement or understanding between the parties with respect to such subject matter. Specifically, but without limitation, effective as of the Employment Date, Employee hereby waives all rights under the Retention Agreement with CheckFree Corporation effective July 27, 2007, as amended.

13. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia, without reference to conflict of law principles thereof.

14. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

15. THE EMPLOYEE HAS READ THIS AGREEMENT AND AGREES THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREES THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE POST-EMPLOYMENT RESTRICTIONS ON THE EMPLOYEE'S ACTIVITIES ARE LIKEWISE FAIR AND REASONABLE.

16. If any provision of this Agreement shall be declared illegal or unenforceable by a final judgment of a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each remaining provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

17. No term or condition of this Agreement shall be deemed to have been waived, nor shall thereby create any estoppel against the enforcement of any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel. No such written

waiver shall be deemed a continuing waiver unless specifically stated therein, and each such waiver shall operate only as to the specific term or condition for the future or as to any act other than that specifically waived.

18. No term or provision or the duration of this Agreement shall be altered, varied or contradicted except by a writing to that effect, executed by authorized officers of Fiserv, Inc. and by Employee, and in compliance with Internal Revenue Code Section 409A.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands.

EMPLOYEE:

/s/ Stephen Olsen
Stephen Olsen

FISERV, INC.:

By: /s/ Jeffery W. Yabuki
Jeffery W. Yabuki
President and Chief Executive Officer

**AMENDMENT NO. 1 TO
AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

This Amendment No. 1 to Amended and Restated Employment Agreement, dated February 26, 2009 (this "Amendment"), amends that certain Amended and Restated Employment Agreement, dated December 22, 2008 (the "Agreement"), by and between Fiserv, Inc., a Wisconsin corporation (the "Company"), and Jeffery W. Yabuki (the "Executive").

1. A new Section 10.9 is hereby added to the Agreement as follows:

To the extent that the terms of this Agreement conflict with the terms of any agreement governing any equity award granted to Executive, this Agreement shall prevail (unless the operative instrument expressly, with specific reference to this Agreement, states otherwise); and, to the extent that the benefits provided by this Agreement are inconsistent with benefits provided under an equity agreement, the Executive shall receive the more favorable benefit.

2. In all other respects, the Agreement shall remain in full force and effect.

3. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

IN WITNESS WHEREOF, each of the Company and the Executive has executed this Amendment effective as of the date first above written.

FISERV, INC.

EXECUTIVE

By: /s/ Glenn M. Renwick

Glenn M. Renwick
Chairman of the Compensation
Committee of the Board of Directors

/s/ Jeffery W. Yabuki

Jeffery W. Yabuki

**CHECKFREE CORPORATION
AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT is made this 22nd day of December, 2008, (the "Agreement") between CheckFree Corporation ("CheckFree"), a Delaware corporation, and Peter J. Kight (the "Executive").

RECITALS

- A. CheckFree and the Executive entered into an employment agreement on May 1, 1997.
- B. Executive is currently employed as an executive of CheckFree and its consolidated subsidiaries (individually the "Subsidiary" and collectively the "Subsidiaries") (CheckFree and the Subsidiaries are hereinafter collectively referred to as the "Company").
- C. The parties desire to amend and restate the employment agreement to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and to eliminate certain historic provisions that are no longer applicable, on the terms and conditions stated herein.

STATEMENT OF AGREEMENT

In consideration of the foregoing, and of Executive's continued employment, the parties agree as follows:

1. Employment. The Company hereby employs Executive and Executive accepts such employment upon the terms and conditions hereinafter set forth to become effective on May 1, 1997 (the "Effective Time").
2. Duties.
 - (a) Executive shall be employed: (i) to serve as Chairman, President, and Chief Executive Officer, and to serve in similar capacities for each of the Subsidiaries, if so elected, subject to the authority and direction of the Board of Directors of CheckFree or the Subsidiary, as the case may be; and (ii) to perform such other duties and responsibilities similar to those performed by Executive prior hereto and exercise such other authority, perform such other or additional duties and responsibilities and have such other or different title (or have no title) as the Board of Directors of CheckFree or the Subsidiary may, from time to time, prescribe.
 - (b) So long as employed under this Agreement, Executive agrees to devote full time and efforts exclusively on behalf of the Company and to competently, diligently and effectively discharge all duties of Executive hereunder. Executive shall not be prohibited from engaging in such personal, charitable, or other nonemployment activities as do not interfere with

full time employment hereunder and which do not violate the other provisions of this Agreement. Executive further agrees to comply fully with all reasonable policies of the Company as are from time to time in effect.

3. Compensation. As full compensation for all services rendered to the Company pursuant to this Agreement, in whatever capacity rendered, the Company shall pay to Executive during the term hereof a minimum base salary at the rate of \$300,000 per year (the "Basic Salary"), payable monthly or in other more frequent installments, as determined by the Company. The Basic Salary shall increase to \$375,000 on July 1, 1997, and thereafter may be increased, but not decreased, from time to time, by the Board of Directors. Executive will be entitled to receive incentive compensation pursuant to the terms of plans adopted by the Board of Directors from time to time.

4. Business Expenses. The Company shall promptly pay directly, or reimburse Executive for, all business expenses to the extent such expenses are paid or incurred by Executive during the term of employment in accordance with Company policy in effect from time to time and to the extent such expenses are reasonable and necessary to the conduct by Executive of the Company's business and properly substantiated.

5. Fringe Benefits. During the term of this Agreement and Executive's employment hereunder, the Company shall provide to Executive such insurance, vacation, sick leave and other like benefits as are provided from time to time.

6. Term; Termination.

(a) The Company shall employ the Executive, and the Executive accepts such employment, for an initial term commencing on the date of this Agreement and ending on June 30, 2002. Thereafter, this Agreement shall be extended automatically on each July 1 for an additional twelve-month period. Executive's employment may be terminated at any time as provided in this Section 6. For purposes of this Section 6, "Termination Date" shall mean the date on which any notice period required under this Section 6 expires or, if no notice period is specified in this Section 6, the effective date of the termination referenced in the notice.

(b) The Company may terminate Executive's employment without cause upon giving 30 days' advance written notice to Executive. If Executive's employment is terminated without cause under this Section 6(b), the Company will (A) pay Executive the earned but unpaid portion of Executive's Basic Salary through the Termination Date, (B) pay Executive a lump sum payment equal to two times the Executive's Basic Salary (the "Severance Payment"), (C) pay Executive any incentive compensation under and consistent with plans adopted by the Company prior to the Termination Date until the second anniversary of the Termination Date (the "Severance Period"), and (D) provide reasonable executive-level outplacement services by a firm selected and contracted by the Company for up to six months following the Termination Date (the "Outplacement Services"); provided, however, if Executive accepts other employment during the Severance Period, the Executive must repay to the Company an amount equal to his Severance Payment multiplied by a fraction, the numerator of which equal to the number of months remaining in the Severance Period and the denominator of which is 24, and the Company shall

cease paying any incentive compensation. The amount payable under clause (B) shall be paid to Executive in one lump sum on the first day of the seventh month following the month in which the Executive's Separation from Service occurs, without interest thereon; provided that, if on the date of the Executive's Separation from Service, neither the Company nor any other entity that is considered a "service recipient" with respect to the Executive within the meaning of Code Section 409A has any stock which is publicly traded on an established securities market (within the meaning of Treasury Regulation Section 1.897-1(m)) or otherwise, then such payment shall be paid to the Executive in a lump sum within thirty (30) business days after the Executive's Separation from Service. For purposes hereof,

(i) the term "Separation from Service" means the Executive's Termination of Employment, or if the Executive continues to provide services following his or her Termination of Employment, such later date as is considered a separation from service from the Company and its 409A Affiliates within the meaning of Code Section 409A. Specifically, if the Executive continues to provide services to the Company or a 409A Affiliate in a capacity other than as an employee, such shift in status is not automatically a Separation from Service;

(ii) the term "409A Affiliate" means each entity that is required to be included in the Company's controlled group of corporations within the meaning of Section 414(b) of the Code, or that is under common control with the Company within the meaning of Section 414(c) of the Code; *provided, however*, that the phrase "at least 50 percent" shall be used in place of the phrase "at least 80 percent" each place it appears therein or in the regulations thereunder; and

(iii) the Executive's "Termination of Employment" shall be presumed to occur when the Company and the Executive reasonably anticipate that no further services will be performed by the Executive for the Company and its 409A Affiliates or that the level of bona fide services the Executive will perform as an employee of the Company and its 409A Affiliates will permanently decrease to no more than 20% of the average level of bona fide services performed by the Executive (whether as an employee or independent contractor) for the Company and its 409A Affiliates over the immediately preceding 36-month period (or such lesser period of services). Whether the Executive has experienced a Termination of Employment shall be determined by the Employer in good faith and consistent with Section 409A of the Code. Notwithstanding the foregoing, if the Executive takes a leave of absence for purposes of military leave, sick leave or other bona fide reason, the Executive will not be deemed to have experienced a Termination of Employment for the first six (6) months of the leave of absence, or if longer, for so long as the Executive's right to reemployment is provided either by statute or by contract, including this Agreement; *provided that* if the leave of absence is due to a medically determinable physical or mental impairment that can be expected to result in death or last for a continuous period of not less than six (6) months, where such impairment causes the Executive to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, the leave may be extended by the Employer for up to 29 months without causing a Termination of Employment.

(c) The Company may terminate Executive's employment upon a determination by the Company that "good cause" exists for Executive's termination and the

Company serves written notice of such termination upon Executive. As used in this Agreement, the term “good cause” shall refer only to any one or more of the following grounds:

- (i) commission of a material and substantive act of dishonesty, including, but not limited to, misappropriation of funds or any property of the Company;
- (ii) engagement in activities or conduct clearly injurious to the best interests or reputation of the Company which in fact result in material and substantial injury to the Company;
- (iii) refusal to perform his assigned duties and responsibilities after receipt by Executive of written detailed notice and reasonable opportunity to cure;
- (iv) gross insubordination by Executive, which shall consist only of a willful refusal to comply with a lawful written directive to Executive issued pursuant to a duly authorized resolution adopted by the Company;
- (v) the clear violation of any of the material terms and conditions of this Agreement or any written agreement or agreements Executive may from time to time have with the Company (following 30-days’ written notice from the Company specifying the violation and Executive’s failure to cure such violation within such 30-day period);
- (vi) Executive’s substantial dependence, as determined by the Board of Directors of the Company, on alcohol or any narcotic drug or other controlled or illegal substance which materially and substantially prevents Executive from performing his duties hereunder; or
- (vii) the final and unappealable conviction of Executive of a crime which is a felony or a misdemeanor involving an act of moral turpitude, or a misdemeanor committed in connection with his employment by the Company, which causes the Company a substantial detriment.

In the event of a termination under this Section 6(c), the Company will pay Executive the earned but unpaid portion of Executive’s Basic Salary through the Termination Date. If any determination of substantial dependence under Section 6(c)(vi) is disputed by the Executive, the parties hereto agree to abide by the decision of a panel of three physicians appointed in the manner as specified in Section 6(c) of this Agreement.

(d) Executive’s employment shall terminate upon the death or permanent disability of Executive. For purposes hereof, “permanent disability,” shall mean the inability of the Executive, as determined by the Board of Directors of CheckFree, by reason of physical or mental illness to perform the duties required of him under this Agreement for more than 180 days in any one year period. Successive periods of disability, illness or incapacity will be considered separate periods unless the later period of disability, illness or incapacity is due to the same or related cause and commences less than 180 days from the ending of the previous period of disability. Upon a determination by the Board of Directors of CheckFree that Executive’s employment shall be terminated under this Section 6(d), the Board of Directors shall give

Executive 30 days' prior written notice of the termination. If a determination of the Board of Directors under this Section 6(d) is disputed by Executive, the parties agree to abide by the decision of a panel of three physicians. CheckFree will select a physician, Executive will select a physician and the physicians selected by CheckFree and Executive will select a third physician. Executive agrees to make himself available for and submit to examinations by such physicians as may be directed by the Company. Failure to submit to any examination shall constitute a breach of a material part of this Agreement.

(e) If a "Change in Control" shall have occurred, Executive shall be entitled to the benefits described below if his employment is terminated following a Change in Control for other than good cause as specified in Section 6(c), or Executive terminates his employment upon making a good faith determination that, following the Change in Control, Executive's employment status or employment responsibilities have been materially and adversely affected thereby:

(i) Executive shall be entitled to (A) the unpaid portion of his Basic Salary plus credit for any vacation accrued but not taken and the amount of any unpaid but earned incentive compensation or any other benefit to which he is entitled under this Agreement through the date of the termination, plus (B) two times Executive's "Average Annual Compensation." For this purpose "Average Annual Compensation" shall mean the average annual compensation from the Company includible in Executive's gross income for the period consisting of Executive's most recent five taxable years ending before the date on which the Change in Control occurs, exclusive of income attributable to the exercise of stock options.

(ii) The amount payable under Section 6(d)(i)(B) shall be paid to Executive in one lump sum on the first day of the seventh month following the month in which the Executive's Separation from Service occurs, without interest thereon; provided that, if on the date of the Executive's Separation from Service, neither the Company nor any other entity that is considered a "service recipient" with respect to the Executive within the meaning of Code Section 409A has any stock which is publicly traded on an established securities market (within the meaning of Treasury Regulation Section 1.897-1(m)) or otherwise, then such payment shall be paid to the Executive in a lump sum within thirty (30) business days after the Executive's Separation from Service. For purposes hereof, the term "Separation from Service" shall have the same meaning as ascribed to such term in the Executive's Key Executive Employment and Severance Agreement with Fiserv, Inc.

(iii) The Company shall maintain for Executive's benefit until the earlier of (y) 24 months after termination of employment following a Change in Control, or (z) Executive's commencement of full-time employment with a new employer, all life insurance, medical, health and accident, and disability plans or programs in which Executive shall have been entitled to participate prior to termination of employment following a Change in Control, provided Executive's continued participation is permitted under the general terms of such plans and programs after the Change in Control, subject to the following:

(A) Following the end of the COBRA continuation period, if such medical, health and accident coverage is provided under a plan that is subject to

Code Section 105(h), benefits payable under such plan shall comply with the requirements of Treasury regulation section 1.409A-3(i)(1)(iv) and, if necessary, the Company shall amend such plan to comply therewith.

(B) If the amount payable under Section 6(e)(i)(B) is delayed for six months after Separation from Service, then for the first six months following Executive's Separation from Service, Executive shall pay the Company the premiums for any continued life insurance coverage under the Company's group term life insurance policy. After the end of such six month period, the Company shall make a cash payment to the Executive equal to the aggregate premiums paid by the Executive for such coverage, and thereafter such coverage shall be provided at the expense of the Company for the remainder of the period as set forth above, except as provided below.

In the event Executive's participation in any such plan or program is not permitted, the Company will provide directly the benefits to which Executive would be entitled under such plans and programs.

(iv) All outstanding stock options issued to Executive shall become 100% vested and exercisable in accordance with such governing stock option agreements and plans.

(f) Executive's benefits under Section 6(e) above shall be payable to him as severance pay in consideration of his past service and of his continued services from the date hereof. Executive shall have no duty to mitigate his damages by seeking other employment, and the Company shall not be entitled to set off against amounts payable hereunder any compensation which Executive may receive from future employment.

(g) For purposes of Section 6(e), the "Change in Control" of the Company occurred on the date the Company was acquired by Fiserv, Inc.

(h) Upon any termination or expiration of this Agreement or any cessation of Executive's employment hereunder, the Company shall have no further obligations under this Agreement and no further payments shall be payable by the Company to Executive, except as provided in Sections 6(b), 6(d) and 6(e) above and except as required under any benefit plans or arrangements maintained by the Company and applicable to Executive at the time of such termination, expiration or cessation of Executive's employment, including, without limitation thereto, salary, incentive compensation, sick leave, and vacation pay.

(i) If the payments and benefits provided under this Agreement to Executive, either alone or with other payments and benefits, would constitute "excess parachute payments" as defined in Section 280G of the Internal Revenue Code of 1986, as amended ("Code"), then the payments and other benefits under this Agreement shall be reduced to the extent necessary so that no portion thereof shall be subject to the excise tax imposed by Section 4999 of the Code. Either the Company or Executive may request a determination as to whether the payments or benefits would constitute an excess parachute payment and, if requested, such determination shall be made by independent tax counsel selected by the Company and approved by Executive. At Executive's election and to the extent not otherwise paid, Executive may determine the

amount of cash and/or elements of non-cash fringe benefits to reduce so that such payments and benefits will not constitute excess parachute payments.

7. Non-Competition.

(a) Executive hereby acknowledges that, during and solely as a result of his employment by the Company, he has received and shall continue to receive unique training and experience with respect to the design, operation and marketing of electronic commerce software, systems and processing, financial software products, systems, and services, and other related matters, and access to confidential information and business and professional contacts. In consideration of the special and unique opportunities afforded to Executive by the Company as a result of Executive's employment, as outlined in the previous sentence, and in consideration of the Company's other promises contained in this Agreement, Executive hereby agrees that he will not during the term of this Agreement, any extension hereof, and for a period of one year after termination of employment with the Company, whether voluntary or involuntary or with or without cause:

(i) engage or participate, directly or indirectly, either as principal, agent, employee, employer, consultant, stockholder, or in any other individual or representative capacity whatsoever, in the operation, management or ownership of any business, firm, corporation, association, or other entity engaged in the design, operation or marketing of electronic commerce software, systems and processing, financial software products, systems, and services, or any other business engaged in by the Company at any time during the one-year period prior to the Termination Date, within the United States and any other country in which the Company conducts substantial business at such time or during such period; and,

(ii) directly or indirectly, for himself or in conjunction with or on behalf of any other individual or entity, solicit, divert, take away or endeavor to take away from the Company any customer, account or employee of the Company at any time during the term of this Agreement, as of the date of Executive's termination of employment with the Company, or during the one-year period prior to the dates thereof.

(b) The period of time during which Executive is subject to the prohibitions contained in this Section 7 shall be extended by any length of time during which Executive is in violation of such prohibitions.

(c) The restrictions of this Section 7 shall not be violated by the ownership by Executive of no more than 2% of the outstanding securities of any company whose stock is traded on a national securities exchange or is quoted in the Automated Quotation System of the National Association of Securities Dealers (NASDAQ).

8. Confidential Information; Assignment of Inventions.

(a) As used herein, the term "Confidential Information" includes, but is not limited to, all information and materials belonging to, used by, or in the possession of the Company (i) which have been disclosed or made known to, or have come into the possession of

Executive as a consequence of or through Executive's relationship with the Company prior to or after the date hereof, (ii) which are related to the Company's customers, potential customers, suppliers, distributors, alliance partners, business strategies or policies, financial or sales results, sales and management techniques, marketing plans, research or development, reports, records, software, systems, source or object code, software documentation or instruction or user manuals, and (iii) which have not generally been made available to the public (not including customers) by the Company pursuant to a specific authorization in the ordinary course of business by the Company of the release of such information to the public or otherwise published and released by the Company to the general public. Notwithstanding the foregoing, Executive may release Confidential Information, in each case only with prior notice to the Company, if (1) required by law, (2) necessary to establish a lawful claim or defense against the Company, (3) necessary to establish a lawful claim or defense against a person or entity other than the Company, but only with the permission, which shall not be unreasonably withheld, of the Company, or (4) necessary to respond to process or appropriate governmental inquiry.

(b) Executive agrees:

(i) that Executive will promptly disclose and grant and does hereby grant to the Company his entire right, title and interest in and to all customer lists, discoveries, developments, designs, improvements, inventions, formulae, software, documentation, processes, techniques, know-how, patents, trade secrets and trademarks, copyrights and all other data conceived, developed or acquired by him during the period of Executive's employment with the Company, both prior to and after the execution of this Agreement, whether or not patentable or registrable under copyright or similar statutes, made or conceived or reduced to practice or learned by Executive, either alone or jointly with others, that result from or are conceived during the performance of tasks assigned to Executive by the Company or result from use of property, equipment, or premises owned, leased or contracted for by the Company ("Inventions"). Executive agrees to execute and deliver, from time to time, such documents as may be necessary or convenient to effectuate the transfer of such Confidential Information to the Company and shall cooperate with and assist the Company in every proper way (at the expense of the Company) in obtaining and from time to time enforcing patents, copyrights, trade secrets, other proprietary rights and protections relating to Inventions in any and all countries;

(ii) that Executive will during the term of this Agreement and thereafter safeguard all Confidential Information and, except as specifically permitted below, Executive will never disclose or use for any purpose or benefit (other than for the purpose or benefit of the Company) any Confidential Information;

(iii) that, except in connection with the ordinary course of the Company's business, Executive will not, either during the term of this Agreement or thereafter directly or indirectly, disclose, disseminate or otherwise make known or provide any Confidential Information, whether in original form or in duplicated or copied form or extracts therefrom, and whether orally or in writing, to any individual, partnership, company or other entity, unless the Company has given its prior written consent thereto;

(iv) that, except in connection with the ordinary course of the Company's business, Executive will not, either during the term of this Agreement or thereafter, remove any Confidential Information from the premises of the Company either in original form or in duplicated or copied form or extracts therefrom; and that upon any termination of Executive's employment by the Company, Executive will immediately surrender to the Company, without request, all Confidential Information, whether in original or duplicated or copied form or extracts therefrom.

9. No Conflicts. Executive represents that the performance by Executive of all the terms of this Agreement, as a former or continuing employee of the Company, does not and will not breach any agreement as to which Executive or the Company is or was a party and which requires Executive to keep any information in confidence or in trust. Executive has not entered into, and will not enter into, any agreement either written or oral in conflict herewith.

10. Reasonableness of Restrictions. It is understood by and between the parties hereto that Executive's covenants set forth in Sections 7, 8 and 9 are essential elements of this Agreement, and that, but for the agreement of Executive to comply with such covenants, the Company would not have agreed to enter into this Agreement. Executive acknowledges that the restrictions contained in this Agreement are reasonable but should any provisions of this Agreement be determined to be invalid, illegal or otherwise unenforceable to its full extent, or if any such restriction is found by a court of competent jurisdiction to be unreasonable under applicable law, then the restriction shall be enforced to the maximum extent permitted by law, and the parties hereto hereby consent and agree that such scope of protection, time or geographic area (or any one of them, as the case may be) shall be modified accordingly in any proceeding brought to enforce such restriction. Executive acknowledges that the validity, legality and enforceability of the other provisions of this Agreement shall not be affected thereby, and that the existence of any claim or cause of action of Executive against the Company, whether predicated on this Agreement, or otherwise, shall not constitute a defense to the enforcement by the Company of such covenants.

11. Remedies; Venue; Process.

(a) Executive hereby acknowledges and agrees that the Confidential Information disclosed to Executive prior to and during the term of this Agreement is of a special, unique and extraordinary character, and that any breach of this Agreement will cause the Company irreparable injury and damage, and consequently the Company shall be entitled, in addition to all other remedies available to it, to injunctive and equitable relief to prevent or cease a breach of Sections 7, 8 or 9 of this Agreement without further proof of harm and entitlement; that the terms of this Agreement, if enforced by the Company, will not unduly impair Executive's ability to earn a living or pursue his vocation; and further, that the Company may withhold compensation and benefits if Executive fails to comply with this Agreement, without restricting the Company from other legal and equitable remedies. The parties agree that the prevailing party shall be entitled to all costs and expenses (including reasonable legal fees and expenses) which it incurs in successfully enforcing this Agreement and in prosecuting or defending any litigation (including appellate proceedings) arising out of this Agreement.

(b) The parties agree that jurisdiction and venue in any action brought pursuant to this Agreement to enforce its terms or otherwise with respect to the relationships between the parties shall properly lie in the Superior Court of Fulton County, Georgia, or in the United States District Court for the Northern District of Georgia. Such jurisdiction and venue is exclusive, except that the Company may bring suit in any jurisdiction and venue where jurisdiction and venue would otherwise be proper if Executive has breached Sections 7, 8 or 9 of this Agreement. The parties agree that they will not object that any action commenced in the foregoing jurisdictions is commenced in a forum non conveniens. The parties further agree that the mailing by certified or registered mail, return receipt requested, of any process required by any such court shall constitute valid and lawful service of process against them, without the necessity for service by any other means provided by statute or rule of court.

12. Withholding. The Company may withhold from any payments to be made hereunder such amounts as it may be required to withhold under applicable federal, state or other law, and transmit such withheld amounts to the appropriate taxing authority.

13. Indemnity.

(a) Subject only to the exclusions set forth in Section 13(b) hereof, the Company hereby agrees to hold harmless and indemnify Executive against any and all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by Executive in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (excluding an action by or in the right of the Company) to which Executive is, was or at any time becomes a party, or is threatened to be made a party, by reason of the fact that Executive is, was or at any time becomes a director, officer, employee or agent of the Company, or is or was serving or at any time serves at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(b) No indemnity pursuant to Section 13(a) hereof shall be paid by the Company:

(i) except to the extent the aggregate losses to be indemnified hereunder exceed the amount of such losses for which Executive is indemnified pursuant to any directors and officers liability insurance purchased and maintained by the Company;

(ii) in respect to remuneration paid to Executive if it shall be determined by a final judgment or other final adjudication that such remuneration was in violation of law;

(iii) on account of any suit in which judgment is rendered against Executive for an accounting of profits made from the purchase or sale by Executive of securities of the Company pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any federal, state or local statutory law;

(iv) on account of Executive's breach of any provision of this Agreement;

(v) on account of Executive's act or omission being finally adjudged to have been not in good faith or involving intentional misconduct, a knowing violation of law, or grossly negligent conduct; or

(vii) if a final decision by a Court having jurisdiction in the matter shall determine that such indemnification is not lawful.

(c) All agreements and obligations of the Company contained herein shall continue during the period Executive is a director, officer, employee or agent of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) and shall continue thereafter so long as Executive shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal or investigative, by reason of the fact that Executive was an officer or director of the Company or serving in any other capacity referred to herein; provided, however, that following the Termination Date, the Company shall have no further obligation under this Section 13 in the event of a breach by Executive of any of his continuing obligations under Sections 7 or 8 of this Agreement.

(d) Promptly after receipt by Executive of notice of the commencement of any action, suit or proceeding, Executive will, if a claim in respect thereof is to be made against the Company under this Section 13, notify the Company of the commencement thereof; but the omission so to notify the Company will not relieve it from any liability which it may have to Executive otherwise than under this Section 13. With respect to any such action, suit or proceeding as to which Executive notifies the Company under this Section 13(d):

(i) The Company will be entitled to participate therein at its own expense.

(ii) Except as otherwise provided below, to the extent that it may wish, the Company jointly with any other indemnifying party similarly notified will be entitled to assume the defense thereof, with counsel selected by the Company. After notice from the Company to Executive of its election so to assume the defense thereof, the Company will not be liable to Executive under this Section 13 for any legal or other expenses subsequently incurred by Executive in connection with the defense thereof other than reasonable costs of investigation or as otherwise provided below. Executive shall have the right to employ his counsel in such action, suit or proceeding but the fees and expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof shall be at the expense of Executive, unless (A) the employment of counsel by Executive has been authorized by the Company, or (B) the Company shall not in fact have employed counsel to assume the defense of such action, in each of which cases the fees and expenses of counsel shall be at the expense of the Company. The Company shall not be entitled to assume the defense of any action, suit or proceeding brought by or on behalf of the Company.

(iii) The Company shall not be liable to indemnify Executive under this Agreement for any amounts paid in settlement of any action or claim effected without its written consent. The Company shall not settle in any manner which would impose any penalty or

limitation on Executive without Executive's written consent. Neither the Company nor Executive will unreasonably withhold their consent to any proposed settlement.

(e) Executive agrees that Executive will reimburse the Company for all reasonable expenses paid by the Company in defending any civil or criminal action, suit or proceeding against Executive in the event and only to the extent that it shall be ultimately determined that Executive is not entitled to be indemnified by the Company for such expenses under the provisions of Section 145 of the Delaware General Corporation Law (the "Delaware Statute"), the Company's By-laws, this Agreement or otherwise.

14. Assignment. This Agreement is personal to Executive and Executive may not assign or delegate any of his rights or obligations hereunder. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their heirs, executors, administrators, successors and assigns.

15. Waiver. The waiver by either party hereto of any breach or violation of any provision of this Agreement by the other party shall not operate as or be construed to be a waiver of any subsequent breach by such waiving party.

16. Notices. Any and all notices required or permitted to be given under this Agreement will be sufficient and deemed effective three (3) days following deposit in the United States mail if furnished in writing and sent by certified mail to Executive at: Peter J. Kight; and to the Company at: CheckFree Corporation, 4411 East Jones Bridge Road, Norcross, Georgia 30092, Attention: General Counsel; with a copy to: Curtis A. Loveland, Esq., Porter, Wright, Morris & Arthur, 41 South High Street, Columbus, Ohio 43215.

17. Governing Law. This Agreement shall be interpreted, construed and governed according to the laws of the State of Georgia applicable to contracts made and to be wholly performed within such state, except that the provisions of Section 13 hereof shall be interpreted, construed and governed according to the Delaware Statute.

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18. Amendment. This Agreement may be amended in any and every respect by agreement in writing executed by both parties hereto.
19. Section Headings. Section headings contained in this Agreement are for convenience only and shall not be considered in construing any provision hereof.
20. Entire Agreement. This Agreement terminates, cancels and supersedes all previous employment or other agreements relating to the employment of Executive with the Company or any predecessor, written or oral, and this Agreement contains the entire understanding of the parties with respect to the subject matter of this Agreement. This Agreement was fully reviewed and negotiated on behalf of each party and shall not be construed against the interest of either party as the drafter of this Agreement. EXECUTIVE ACKNOWLEDGES THAT, BEFORE SIGNING THIS AGREEMENT, HE HAS READ THE ENTIRE AGREEMENT AND HAS THIS DAY RECEIVED A COPY HEREOF.
21. Severability. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement or parts thereof.
22. Survival. Sections 6 through 14 of this Agreement and this Section 22 shall survive any termination or expiration of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

EXECUTIVE:

/s/ Peter J. Kight

Peter J. Kight

CHECKFREE CORPORATION

/s/ Thomas J. Hirsch

Its: Chief Financial Officer

**SECOND AMENDMENT TO
RETENTION AGREEMENT**

This SECOND AMENDMENT TO RETENTION AGREEMENT (the "Second Amendment") is dated as of December 22, 2008 between CheckFree Corporation, a Delaware corporation (the "Company") and Peter J. Kight ("Executive").

WHEREAS, Executive and Company have previously entered into that certain Retention Agreement dated as of July 27, 2007, and amended as of August 2, 2007 (the "Agreement"); and

WHEREAS, the parties desire to enter into this Second Amendment to revise the terms of the Agreement to comply with Section 409A of the Internal Revenue Code of 1986, as amended, and guidance promulgated thereunder ("Section 409A");

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements of the parties contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Section 11(b) is hereby amended in its entirety to read as follows:

(b) Subject to the provisions of Section 11(c), all determinations required to be made under this Section 11, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be used in arriving at such determination, shall be made by a nationally recognized accounting firm selected by the Company and reasonably acceptable to the Executive (the "Accounting Firm") which shall provide detailed supporting calculations both to the Company and Executive within 15 business days of the receipt of notice from Executive that there has been a Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, Executive shall appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. **Any Gross-Up Payment, as determined pursuant to this Section 11, shall be paid by the Company to Executive at the same time as the Company pays to the Executive the Severance Payment, provided, however, if prior to such date the Executive is required to remit the Excise Tax to the Internal Revenue Service, then upon written notice by the Executive to the Company, the Company shall promptly reimburse the Executive for the Gross-Up Payment attributable to such Excise Tax payment (but based upon Executive's actual rate of taxation), but no later than December 31 of the year after the year in which Executive remits the Excise Tax.** Any determination by the Accounting Firm shall be binding upon the Company and Executive. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder.

In the event that the Company exhausts its remedies pursuant to Section 11(c) and Executive thereafter is required to remit any Excise Tax to the Internal Revenue Service, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment **shall be promptly paid by the Company to or for the benefit of Executive, but no later than December 31 of the year after the year in which Executive remits the Excise Tax.**

2. Section 11(c) is hereby amended in its entirety to read as follows:

(c) Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies Executive in writing prior to the expiration of such period that it desires to contest such claim, Executive shall:

- (i) give the Company any information reasonably requested by the Company relating to such claim,
- (ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,
- (iii) cooperate with the Company in good faith in order to effectively contest such claim, and
- (iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation of the foregoing provisions of this Section 11(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; *provided, however,* that if the Company directs Executive to pay such claim and sue for a refund, **the Company shall promptly reimburse the amount of such payment to Executive within 10 business days after delivery of the**

Executive's written notice to the Company that he has made such payment accompanied with such evidence of payment as the Company may reasonably require, but no later than December 31 of the year after the year in which Executive makes such payment, and the Company shall indemnify and hold Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such reimbursement or with respect to any imputed income with respect to such reimbursement; and *further provided* that any extension of the statute of limitations relating to payment of taxes for the taxable year of Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

3. Section 11(d) is hereby amended in its entirety to read as follows:

(d) If, after the receipt by Executive of a reimbursement by the Company with respect to payment of any claim made by the Executive at the direction of the Company pursuant to Section 11(c), Executive becomes entitled to receive any refund with respect to such claim, Executive shall (subject to the Company's complying with the requirements of Section 11(c)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by Executive of a reimbursement by the Company with respect to payment of any claim made by the Executive at the direction of the Company pursuant to Section 11(c), a determination is made that Executive shall not be entitled to any refund with respect to such claim and the Company does not notify Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such reimbursement shall not be required to be repaid and the amount of such reimbursement shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

4. Except as otherwise provided herein, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed and delivered this Second Amendment, or have caused this Second Amendment to be executed and delivered, to be effective as of the date first written above.

CHECKFREE CORPORATION

By: /s/ Thomas J. Hirsch
Name: Thomas J. Hirsch
Title: CFO

EXECUTIVE

By: /s/ Peter J. Kight
Peter J. Kight

NON-EMPLOYEE DIRECTOR COMPENSATION SCHEDULE

Overview

A summary of 2009 non-employee director compensation is provided below:

Annual Board Retainer	\$	60,000
Chairman's Retainer	\$	100,000 ⁽¹⁾
Meeting Fees	No separate fees for board or committee meetings	
Committee Retainer		
Audit	\$	12,000
Compensation	\$	10,000
Nominating and Corporate Governance	\$	10,000
Committee Chair Retainer		
Audit	\$	7,500
Compensation	\$	7,500
Nominating and Corporate Governance	\$	7,500
Equity Awards		
Stock Options	\$	60,000 ⁽²⁾
Restricted Stock Units	\$	60,000 ⁽³⁾

- (1) The Chairman's retainer includes, and is not in addition to, the standard board retainer.
- (2) Upon being elected or continuing as a director, each non-employee director will receive such number of restricted stock units as is determined by dividing \$60,000 by the closing price of our common stock on the grant date.
- (3) Upon being elected or continuing as a director, each non-employee director will receive a stock option having \$60,000 in value. The number of shares for which the option may be exercised will be determined by dividing \$60,000 by a binomial valuation of an option of one share of our common stock on the grant date.

Vesting

Stock options and restricted stock units will vest 100% on the earlier of (i) the first anniversary of the grant date or (ii) immediately prior to the first annual meeting of shareholders following the grant date.

Deferred Compensation Plan

We have a non-employee director deferred compensation plan. This plan allows directors to defer all or a part of their cash retainers until after their service on the board has ended. Funds in deferred accounts are invested in hypothetical shares of our common stock.

Restricted stock units are hypothetical shares of our common stock that are converted into actual shares upon settlement. Under the deferred compensation plan, directors may defer receipt of shares issuable pursuant to the restricted stock units until after their service on the board has ended.

SUBSIDIARIES OF THE REGISTRANT

Name under which Subsidiary does Business Incorporation	State (Country) of
Accurate Software Inc.	Georgia
American Payment Holdco, Inc.	Delaware
Antinori Software, Inc.	Georgia
Artius, Inc.	Ohio
Bastogne, Inc.	Nevada
BillMatrix Corporation	Delaware
CDT Realty Corp.	Connecticut
CEE Associates Limited Partnership	Connecticut
Carreker	France
Carreker Canada Inc.	Canada
Carreker Corporation	Delaware
Carreker Holdings Australia Pty. Limited	Australia
Carreker Ltd.	United Kingdom
CheckFree Corporation	Delaware
CheckFree E-Commerce Solutions Limited	United Kingdom
CheckFree i-Solutions, Inc.	Delaware
CheckFree i-Solutions Corp.	Ontario
CheckFree PhonePay Services, Inc.	New York
CheckFree Securities, LLC	Delaware
CheckFree Services Corporation	Delaware
CheckFree Software and Services UK Limited	United Kingdom
CheckFree Solutions Limited	United Kingdom
CheckFree Solutions (Australia) PTY Limited	Australia
CheckFree Solutions S.A.	Luxembourg
CheckFreePay Corporation	Connecticut
CheckFreePay Corporation of California	California
CheckFreePay Corporation of New York	Delaware
Colonial Technologies Corp.	Delaware
Corillian Corporation	Oregon
Corillian Community Banking Solutions, LLC	Oregon
Corillian International Limited	United Kingdom
Corillian South Asia Snd. Bhd.	Malaysia
Data-Link Systems, LLC	Wisconsin
District Corporation	Connecticut
EPSIA Corporation	Texas
Fiserv Automotive Solutions, Inc.	Delaware
Fiserv (Europe) Limited	United Kingdom
Fiserv CIR, Inc.	Delaware
Fiserv Clearing, Inc.	Delaware
Fiserv Federal Systems, Inc.	Delaware
Fiserv FSC, Inc.	California

Fiserv Fulfillment Agency, LLC	Delaware
Fiserv Fulfillment Agency of Alabama, LLC	Alabama
Fiserv Fulfillment Services, Inc.	Arizona
Fiserv Fulfillment Services, Inc.	Pennsylvania
Fiserv Fulfillment Services of Alabama, L.L.C.	Alabama
Fiserv Fulfillment Services of Maryland, Inc.	Maryland
Fiserv Fulfillment Services South, Inc.	Florida
Fiserv India Private Limited	India
Fiserv Insurance Holdings, LLC	Delaware
Fiserv Nevada, Inc.	Nevada
Fiserv PAR, Inc.	Wisconsin
Fiserv Solutions, Inc.	Wisconsin
Fiserv Solutions of Australia Pty Ltd.	Victoria
Fiserv Worldwide Solutions, LLC	Delaware
Heliograph Inc.	Delaware
Heliograph Limited	United Kingdom
ILS Services, LLC	Delaware
Information Technology, Inc.	Nebraska
Insurance Education Institute, Inc.	North Carolina
ITI of Nebraska, Inc.	Nebraska
Jerome Digital Communications, L.L.C.	Missouri
Jerome Group, L.L.C.	Missouri
Pickett Corporation	Connecticut
RemitStream Solutions, LLC	Delaware
USERS Incorporated	Maryland
XP Systems Corporation	Minnesota

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements Nos. 333-120359, 333-89957, 333-64353, 333-04417, 333-28121, 333-34310, 333-34396, 333-145599, 333-143191, 333-147827, and 333-149550 on Form S-8 and Registration Statement Nos. 333-147309, 333-104270 and 033-58709 on Form S-3 of our reports dated February 26, 2009, relating to the consolidated financial statements and consolidated financial statement schedule of Fiserv, Inc. and the effectiveness of Fiserv, Inc.'s internal control over financial reporting, appearing in this Annual Report on Form 10-K of Fiserv, Inc. for the year ended December 31, 2008.

/s/ Deloitte & Touche LLP

Milwaukee, WI
February 26, 2009

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeffery W. Yabuki, certify that:

1. I have reviewed this Annual Report on Form 10-K 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 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 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. 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
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth 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: February 26, 2009

By: /s/ JEFFERY W. YABUKI
Jeffery W. Yabuki
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Thomas J. Hirsch, certify that:

1. I have reviewed this Annual Report on Form 10-K 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 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 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. 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
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth 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: February 26, 2009

By: /s/ THOMAS J. HIRSCH
Thomas J. Hirsch
Executive Vice President,
Chief Financial Officer, Treasurer
and Assistant Secretary

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Fiserv, Inc. (the "Company") for the year ended December 31, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Jeffery W. Yabuki, as President and Chief Executive Officer of the Company, and Thomas J. Hirsch, as Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary of the Company, each hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ JEFFERY W. YABUKI

Jeffery W. Yabuki
President and Chief Executive Officer
February 26, 2009

By: /s/ THOMAS J. HIRSCH

Thomas J. Hirsch
Executive Vice President, Chief Financial
Officer, Treasurer and Assistant Secretary
February 26, 2009