

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, 2011

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 whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). 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, 2011 (the last trading day of the second fiscal quarter) was \$8,707,371,239 based on a closing price of \$62.63 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 17, 2012 was 138,588,647.

**DOCUMENTS INCORPORATED BY REFERENCE**

Part III of this report incorporates information by reference to the registrant's proxy statement for its 2012 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, 2011.

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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, that 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 decreased spending on the products and services we offer; legislative and regulatory actions in the United States and internationally, including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and related regulations; our ability to successfully integrate recent acquisitions into our operations; changes in client demand for our products or services; pricing or other actions by competitors; the impact of our strategic initiatives; our ability to comply with government regulations, including privacy regulations; and other factors discussed in this report under the heading “Risk Factors.” You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such 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. We are not including the information provided on the websites referenced herein as part of, or incorporating such information by reference into, this Annual Report on Form 10-K.

### PART I

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

#### Item 1. Business

##### Overview

Fiserv, Inc. is a leading global provider of financial services technology. We are publicly traded on the NASDAQ Global Select Market and part of the S&P 500 Index. We serve approximately 16,000 clients worldwide, including banks, thrifts, credit unions, investment management firms, leasing and finance companies, retailers, merchants and government agencies. We provide account processing systems; electronic payments processing products and services, such as electronic bill payment and presentment, card-based transaction processing and network services, ACH transaction processing, account-to-account transfer products and person-to-person payments; Internet and mobile banking systems; and related services including document and payment card production and distribution, check processing and imaging, source capture systems, and lending and risk management products and services. The majority of the services we provide are necessary for our clients to operate their business and are, therefore, non-discretionary in nature. Our operations are principally located in the United States where we operate data and transaction processing centers, develop software, perform item processing and check imaging, and provide technology support. We also own a 49% interest in StoneRiver Group, L.P. (“StoneRiver”), which is comprised of our former insurance businesses.

In 2011, we had \$4.3 billion in total revenue, \$953 million in net cash provided by operating activities from continuing operations and income from continuing operations of \$491 million. Processing and services revenue, which in 2011 represented 82% of our consolidated revenue, is primarily generated from account- and transaction-based fees under contracts that generally have terms of three to five years, and we have had high contract renewal rates with our clients. In 2011, 2010 and 2009, our international operations contributed 7%, 6% and 5% of total revenue, respectively.

We have grown our business by developing highly specialized services and product enhancements, adding new clients, and acquiring businesses that complement ours. In 2007, we acquired CheckFree Corporation

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("CheckFree"), the leading provider of electronic bill payment processing and presentment services and Internet banking solutions. The acquisition was the largest in our history, has enabled us to deliver a wide range of integrated products and services, and has created new opportunities for growth.

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***

The market for products and services offered by financial institutions is experiencing continuous change. The financial industry regularly introduces and implements new payment, deposit, lending, investment and risk management products, and the distinctions among the products and services traditionally offered by different types of financial institutions continue to narrow as they seek to serve the same ultimate customers.

The growing volume and types of payment transactions and the increased focus on new channels such as Internet banking and mobile banking have increased the data and transaction processing needs of financial institutions. We believe that financial institutions will need to continue to invest significant capital and human resources to process transactions, manage information and offer innovative new services to their customers in this rapidly evolving and competitive environment. We believe that economies of scale in developing and maintaining the infrastructure, technology, products, services and networks necessary to be competitive in such an environment are essential to justify these investments.

The number of financial institutions in the United States has declined steadily at a cumulative annual rate of approximately three percent per year since 1985. Despite this consolidation, the number of customers and accounts, and the amount of deposits serviced by the financial industry as a whole, has increased over the same period. Transaction growth, particularly in electronic payment transactions, has also continued to increase. In addition, our revenue is diversified and our focus on long-term client relationships and recurring, transaction-oriented products and services has reduced the impact that consolidation has had on us. We also have clients that span the entire range of financial institutions in terms of asset size, and our 50 largest financial institution clients represent less than 25% of our annual revenue. In recent years, many of our financial institution clients have finalized their spending decisions later in the year. As a result, we have seen, and expect to continue to see, a larger percentage of our annual revenue occurring in the second half of the year.

We anticipate that demand for products that facilitate customer interaction with financial institutions, including electronic transactions through the Internet or mobile devices, sometimes referred to as "digital channels," will continue to increase, 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 for growth. In addition, we believe that the integration of our products and services creates a compelling value proposition for our clients. Our operations are reported in the Payments and Industry Products ("Payments") and Financial Institution Services ("Financial") business segments.

#### ***Payments***

The businesses in our Payments segment provide financial institutions and other companies with the products and services required to process electronic payment transactions and to offer their customers access to financial services through digital channels. Financial institutions and other companies have increasingly relied on third-party providers for those products and services, either on a licensed software or outsourced basis, as an increasing number of payment transactions are completed electronically and as our clients' customers seek the

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convenience of 24-hour digital access to their financial accounts. Within the Payments segment, we primarily provide electronic bill payment and presentment services, debit and other card-based payment products and services, Internet and mobile banking software and services, and other electronic payments software and services including account-to-account transfers and person-to-person payments. Our businesses in this segment also provide investment account processing services for separately managed accounts, card and print personalization services, and fraud and risk management products and services.

### ***Financial***

The businesses in our Financial segment provide financial institutions with the products and services they need to run their operations. Many financial institutions that previously developed their own software systems and maintained their own data processing operations now license software from third-parties or outsource their data processing requirements by contracting with third-party processors. This has allowed them to reduce costs and enhance their products, services, capacity and capabilities. The licensing of software reduces the need for costly technical expertise within a financial institution, and outsourcing through the utilization of service bureaus or facilities or resource management capabilities reduces the infrastructure and other costs required to operate systems internally. Within the Financial segment, we provide banks, thrifts and credit unions with account processing services, item processing and source capture services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions.

### **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 that enable best-in-class results for our clients. 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 client relationships which are based on recurring services and transactions; differentiated solutions that deliver value to our clients through integration and innovation; and strong management to execute strategies in a disciplined manner. Consistent with this focus, we continue to operate our business in accordance with the following strategic framework:

- *Portfolio Management.* 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 similar considerations. We expect to divest businesses that are not in line with our market, product or financial strategies.
- *Client Relationship Value.* We plan to increase the number and breadth of our client relationships by, among other matters: continuing to integrate our products, services and sales groups; combining products and services to deliver enhanced, integrated value propositions; and improving the quality of our client service and support.
- *Operational Effectiveness.* We believe we can improve the quality of our client delivery while reducing our costs by using the opportunities created by our size and scale. For example, we are using our consolidated buying power and shared utility structures to provide cost savings.
- *Capital Discipline.* We intend to make capital allocation decisions that offer the best prospects for our long-term growth and profitability, which may include, among other matters, internal investment, repayment of debt, repurchases of our own shares or acquisitions.
- *Innovation.* Finally, 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 industry.

### **Principal Solutions and Services**

Financial information regarding our business segments is included in Note 8 to the consolidated financial statements on page 52.

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### ***Payments***

#### ***Electronic Banking***

Our electronic banking business is comprised of electronic bill payment and presentment services, biller services, digital channel services, and other electronic payments services such as person-to-person payments and account-to-account transfers.

#### **Electronic bill payment and presentment**

Our principal electronic bill payment and presentment product, CheckFree® RXP®, allows our clients' customers: to manage household bills via an easy-to-use, online tool; to view relevant billing and payment information; to pay and manage all of their bills in one place; to experience the same speed of payment they would normally have at a biller's site; and to make convenient next-day payments to many of the companies with which they do business. We use our systems to process the vast majority of the payment transactions that we handle, 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 U.S.

#### **Biller**

Our biller business provides expedited bill payment processing and electronic bill distribution services to companies that deliver substantial volumes of bills to their customer base. 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. Consumers access our electronic billing and payment systems by accessing a financial institution's or a biller's webpage, via www.mycheckfree.com or by using an application on a mobile device. Additionally, consumers can make bill payments, including emergency or expedited payments, via the Internet or phone or at our nationwide walk-in bill payment locations. These diverse services allow customers of our clients to pay bills wherever, whenever and however they feel most comfortable. Furthermore, because our biller clients are able to receive all of these services from us, we can eliminate the operational complexity and expense of supporting multiple vendor systems or in-house developed systems. Our electronic biller services business also offers a host of club management and electronic financial transaction services within the health and fitness industry.

#### **Digital channels**

Our principal online consumer and business banking products for larger financial institutions are Corillian Online® and Corillian® Business Online, platforms upon which we have built a number of software applications to support multiple lines of banking businesses. Using universal standards, Corillian Online and Corillian Business Online have been designed to be highly scalable to meet the evolving needs of our clients. This structure enables our clients to deploy new services by adding and integrating applications, such as electronic bill payment and online banking solutions, to any Internet connected point-of-presence.

Our Mobiliti™ product provides a variety of mobile banking and payments services, including balance inquiry, transaction history, bill payment, person-to-person payments and transfers through a mobile device to our clients and their customers. It enables financial institutions to reach more consumers than via other mobile technologies because it supports all three mobile access modes: browser, application and text. In the first quarter of 2011, we acquired Mobile Commerce Ltd. ("M-Com"), an international mobile banking and payments provider, to enhance our mobile and payment capabilities.

#### **Person-to-person payments and other electronic transactions**

In 2010, we introduced ZashPay®, a person-to-person payments service that enables the secure, electronic movement of money to and from U.S.-based bank accounts, typically within one to three business days. Using

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our existing bill payment network, a payment is originated directly from the sender's bank account and is transmitted directly into the recipient's bank account, utilizing the same secure processes as an online banking transaction. ZashPay can be accessed via a Fiserv website, www.zashpay.com, or through the websites of participating financial institutions.

In September 2011, we acquired CashEdge, Inc. ("CashEdge"), a leading provider of consumer and business payments solutions such as account-to-account transfer, account opening and funding, data aggregation, small business invoicing and payments and person-to-person payments. CashEdge's person-to-person payments solution, Popmoney<sup>®</sup>, adds complementary and advanced features to our existing offering and expands the reach of our network of financial institutions, consumers and small businesses that use the service. As of December 31, 2011, nearly 1,400 financial institutions have agreed to offer our person-to-person payments services.

### *Card Services*

Our card services business is a leader in electronic funds transfer and provides a total payments solution through a variety of products and services. We offer ATM and point of sale PIN-based debit transaction processing, signature debit processing, ATM driving and monitoring, private label and bankcard credit card processing, electronic benefits transfer switching, prepaid program development and management, and national and regional network access. We own the ACCEL/Exchange<sup>®</sup> network and operate approximately 19,000 ATMs. Comprehensive integration with our account processing products and services allows us to reduce costs and increase efficiencies for our clients through enterprise offerings in areas such as risk management and loyalty rewards. Our card services business has more than 4,300 clients including banks and credit unions of all asset sizes, resellers (via both business alliance and remarketer agreements), finance companies, independent sales organizations and merchant acquirers across the U.S. In 2011, we processed more than 10 billion debit and credit 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; design and fulfillment of direct mail solutions; forms distribution; laser printing and mailing; and office supplies.

### *Investment Services*

We provide products and services to over 325 financial service organizations—including broker dealers, global asset managers, investment advisors, banks and insurance companies—delivering financial planning, portfolio management, enhanced trading capabilities, models management, performance measurement, reporting services, billing, and post-trade processing automation. Our fee-based investment management clients are typically sponsors or managers in the managed accounts and wealth management market that offer a variety of managed account programs to investors. We also support global institutional asset managers and asset servicers which manage 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. Our market leading platform was used for more than 3.4 million accounts as of December 31, 2011. In addition, our acquisition of AdviceAmerica, Inc. ("AdviceAmerica") in 2010 extended our capabilities into front-office applications such as financial planning, customer relationship management and proposal tools that support the growing needs of financial advisors.

### *Risk Management*

Our risk management business provides financial crime, compliance, anti-money laundering, fraud prevention, market surveillance and employee fraud detection products and services. Our offerings include Fraud Risk Manager<sup>™</sup>, Fraud Detection System<sup>SM</sup>, FraudLink<sup>®</sup> and FraudGuard<sup>®</sup>.

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### ***Financial***

We provide products and services to meet the financial technology needs of banks, credit unions, thrifts and leasing and finance companies. Many of the products and services that we provide are sold as an integrated system to our clients and include account, item and lending processing as well as solutions from our Payments segment such as electronic bill payment and presentment, Internet and mobile banking, debit processing and network services and person-to-person payments.

#### *Account Processing*

We provide integrated account servicing and management capabilities to our bank, thrift and credit union clients, as well as complementary value-added products and services. Account processing solutions are the principal systems that enable a bank to operate and 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 comply with applicable regulations. Account processing solutions are offered through online data transmission connections to our account processing centers, historically called "data centers" or "service bureaus," as stand-alone licensed software for installation on client-owned computer systems, or via a combination of both. More than one in every three financial institutions in the U.S. uses a Fiserv account processing system.

Although 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 software solutions allows clients to start with one application 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, which reduces a new client's initial conversion expenses, enhances existing clients' ability to change equipment, and broadens our market. The principal account processing solutions used by our bank and thrift clients are Premier®, Precision®, Cleartouch® and Signature®. The Signature system is available both domestically and internationally. The principal account processing solutions primarily used by our credit union clients are Acumen®, Advantage™, CharlotteSM, CubicsPlus®, CUSA®, DataSafe®, Galaxy®, OnCU®, Portico®, Reliance®, Spectrum® and XP2®.

#### *Item Processing and Source Capture*

Our item processing business offers products and services to financial institutions and intermediaries. Our image-enabled solutions are offered as in-house or service bureau offerings to thousands of account processing and non-account processing clients. Our remote deposit capture solutions are branded as Source Capture Solutions® and are offered on a common web platform. They include ATM Source Capture™, Branch Source Capture™, Consumer Source Capture™, Merchant Source Capture™, Mobile Source Capture™, Regional Source Capture™, Remittance Coupon Source Capture™ and Teller Source Capture™. Through the Fiserv Clearing Network, we provide complete check clearing and image exchange services. Other solutions include image archive with online retrieval, in-clearings, exceptions and returns, statements and fraud detection. We also provide consulting services, business operations services and related software products that facilitate the transformation of our clients' payments environments from paper-based to electronic.

#### *Lending Solutions*

Our lending business offers products and services to financial institutions and intermediaries, including: loan origination systems, consumer and commercial lease and loan servicing products, and default mitigation and business process outsourcing services; a mortgage loan servicing platform and loan origination and tracking systems; and portfolio analytical services.



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### **Corporate Transactions**

As noted above, in 2011, we acquired CashEdge and M-Com; in 2010, we acquired AdviceAmerica; and in 2009, we completed the sale of our loan fulfillment services business ("Fiserv LFS") and the sale of the balance of our investment support services business ("Fiserv ISS").

### **Servicing the Market**

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. We believe that our financial strength and primary focus on the financial services industry enhances our ability to meet these needs and service our clients. In addition, we believe that our dedication to providing excellent client service and support no matter the size of the client and our commitment of substantial resources to training and technical support helps us to retain clients. For example, we conduct client training in 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 each of 2011, 2010 and 2009, product development expenditures represented approximately 9% of our total revenue. Our network of development and technology centers apply the expertise of multiple teams to design, develop and maintain specialized processing systems. Our account processing systems are designed to 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 provide products and services that are designed, developed, maintained and enhanced according to each client's goals regarding, among other things, service quality, business development, asset and liability mix, and local market positioning.

### **Intellectual Property**

We regard our software, transaction processing services and related products as proprietary, and utilize a combination of patent, copyright, trademark and trade secret laws, internal security practices and employee and third party non-disclosure agreements to protect our intellectual property assets. 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 continue, where appropriate, to seek and secure patents with respect to our technology. We believe that we possess all proprietary rights necessary to conduct our business.

### **Competition**

The market for technology products and services in the financial industry is highly competitive. Our principal competitors include other vendors of financial services technology, data processing affiliates of large companies, large computer hardware manufacturers and processing centers owned and operated as user cooperatives. In addition, certain existing and potential financial institution clients may have the ability to create their own in-house systems. Some of these competitors possess substantially greater financial, sales and marketing resources than we do and have substantial flexibility in competing with us, including through the use of integrated product offerings and through pricing. Competitive factors for our business include product quality, service reliability, product line comprehensiveness and integration, timely introduction of new products and

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features, and price. We believe that we compete favorably in each of these categories. We expect competition to continue to increase as new companies enter our markets and existing competitors expand their product lines and services. 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. Additional information about the markets in which we compete is provided in the segment discussion below.

### ***Payments***

Fidelity National Information Services, Inc. (“FIS”), Jack Henry and Associates, Inc. (“Jack Henry”) and Online Resources Corporation compete with us most directly in our bill payment business. Western Union is our primary competitor in our biller-direct bill payment and walk-in payments businesses. A number of other companies compete with us in our card-based payment transaction processing business, including First Data Corporation, MasterCard Incorporated and Visa, Inc. Certain existing and potential financial institution and biller clients also have the ability to develop and use their own in-house systems instead of our products and services. And 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.

### ***Financial***

Our products and services in the Financial segment compete in several different market segments and geographies, including with large, diversified software and service companies and independent suppliers of software products. This competition is intensified by the efforts of vendors and consultants who encourage clients to establish client-operated data centers and the design and implementation of customized software solutions. We also compete with vendors that offer similar transaction processing products and services to financial institutions, including FIS, Jack Henry and Open Solutions, Inc.

### ***Government Regulation***

Fiserv and its 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 operations are examined on a regular basis by state regulatory authorities and representatives of the Federal Financial Institutions Examination Council, which is a formal interagency body empowered to prescribe uniform principles, standards and report forms for the federal examination of financial institutions and to make recommendations to promote uniformity in the supervision of financial institutions. 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 addition, in conducting our electronic commerce business, including our walk-in bill payment, prepaid card, online bill payment and Popmoney and ZashPay personal payment services, we are subject to various federal and state laws and regulations relating to the electronic movement of money. In order to comply with our obligations under applicable laws, we are required, among other matters, to comply with annual reporting and licensing requirements, to implement operating policies and procedures to protect the privacy and security of our clients’ information, and to undergo periodic audits and examinations.

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act was enacted (the “Dodd-Frank Act”). The Dodd-Frank Act introduced substantial reforms to the supervision and operation of the financial services industry, including introducing changes that: affect the oversight and supervision of financial institutions; provide for a new resolution procedure for large financial companies; create a new agency responsible for

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implementing and enforcing compliance with consumer financial laws; introduce more stringent regulatory capital requirements; and implement changes to corporate governance and executive compensation practices. It also calls for a number of studies to be conducted and requires significant rule-making. The Dodd-Frank Act has generated, and will continue to generate, numerous new regulations that will impact the financial industry. It is too early, however, to fully determine the overall impact of this complex legislation on us or our clients over the long term.

### **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 industry, often complemented by management and other employees with direct experience in banks, thrifts, credit unions 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 U.S. 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, we emphasize the quality and stability of the prospective company's employees.

### **Available Information**

Our website address is [www.fiserv.com](http://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, 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 of 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 are exposed to the current global economic conditions in the financial services industry. A more troubled or prolonged 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.

#### **We operate in a competitive business environment and may not be able to compete effectively.**

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. Many of our larger existing and potential

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clients have historically developed their key applications in-house. As a result, we often compete against our existing or potential clients' in-house capabilities. 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, results of operations and financial condition.

**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 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 clients generally run for a period of three to five years. At the end of the contract term, clients have the opportunity to renegotiate their contracts with us or to consider whether to engage one of our competitors to provide products and services. 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.

**Consolidations and failures in the banking and financial services industry could adversely affect our revenue by eliminating existing or potential clients and making us more dependent on fewer clients.**

Many financial institutions are experiencing operating losses, including some of our clients. In some cases, these operating losses have resulted in the failure and/or consolidation of financial institutions. Failures, mergers and consolidations of financial institutions reduce the number of our clients and potential clients, which could adversely affect our revenue. 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 financial institutions that result from mergers or consolidations could 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.

**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, security and quality of products and services offered to consumers and businesses. In order to consistently

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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 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 important to 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.

### **The implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and related regulations may have an adverse impact on our clients and our business.**

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 was signed into law. The Dodd-Frank Act represents a comprehensive overhaul of the financial services industry within the United States, establishes the new federal Bureau of Consumer Financial Protection (the "BCFP") and requires the BCFP and other federal agencies to implement numerous new regulations. It is difficult to predict the extent to which the Dodd-Frank Act or the resulting regulations will impact our business or the businesses of our current and potential clients over the long term. To the extent the regulations adopted pursuant to the Dodd-Frank Act negatively impact the business, operations or financial condition of our clients, our business and results of operations could be materially and adversely affected because, among other matters, our clients could have less capacity to purchase products and services from us or could seek to pass on increased costs to us by negotiating price reductions. We could be required to invest a significant amount of time and resources to comply with additional regulations or to modify the manner in which we provide products and services to our clients; and such regulations could limit how much we can charge for our services. We may not be able to update our existing products and services, or develop new ones, to satisfy our clients' needs. Any of these events, if realized, could have a material adverse effect on our business, results of operations and financial condition.

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

We receive, process, store and transmit our clients' and their customers' sensitive information electronically. 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. We rely on industry-standard encryption, network and Internet security systems; however, advances in criminal capabilities, new discoveries in the field of cryptography or other developments may compromise or breach our security measures. If more restrictive privacy laws, rules or industry security requirements are adopted in the future, including in the foreign jurisdictions in which we operate, we may incur increased compliance costs or become subject to more stringent limitations on business processes. In addition, computer viruses distributed via the Internet could infiltrate our systems, disrupting our delivery of services and making our applications unavailable. Any inability to prevent security breaches or computer viruses or to comply with increasingly stringent privacy laws or security requirements 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.

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

Third parties may claim that we are infringing their intellectual property rights. We may expose ourselves to additional liability if we agree to indemnify our clients against third party infringement claims. If the owner of intellectual property establishes that we are, or a client which we are obligated to indemnify is, infringing its

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intellectual property rights, or that our intellectual property rights are invalid, we may be forced to change our products or services, and such changes may be expensive or impractical. We may then be forced to seek royalty or license agreements from the owner of such rights. 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. We may also be liable for financial damages for a violation of intellectual property rights, and we may incur expenses 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.

### **Operational failures could harm our business and reputation.**

An operational failure in our transaction processing businesses could harm our business or cause us to lose clients. Interruptions of service could damage our relationship with clients and could cause us to incur substantial expenses, including those related to the payment of service credits or other liabilities. A prolonged interruption of our services or network could cause us to experience data loss or a reduction in revenue. 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 technology 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 business, results of operations and financial condition.

### **We may be obligated to indemnify the purchasers of businesses pursuant to the terms of the relevant purchase and sale agreements.**

In the past several years, we have sold several businesses, including Fiserv Health, Fiserv ISS, Fiserv Insurance and Fiserv LFS. In connection with these sales, we made representations and warranties about the businesses and their financial affairs and agreed to retain certain liabilities associated with our operation of the businesses prior to their sale. Our obligation to indemnify the purchasers and agreement to retain liabilities could have a material adverse effect on our business, results of operations and financial condition.

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### **Acquisitions subject us to risks, including increased debt, assumption of unforeseen liabilities and difficulties in integrating operations.**

A major contributor to our growth in revenue 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. Or, businesses that we acquire may not perform as well as expected or may be more difficult to integrate and manage than expected, which could adversely affect our business and results of operations. 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 money 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.

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

We 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 operations are examined on a regular basis by various federal and state regulatory authorities. It is also possible that new regulations will be imposed on us by the Dodd-Frank Act. 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 business, results of operations and financial condition.

### **Our failure to comply with a series of complex regulations in our payments businesses could subject us to liability.**

CheckFreePay, a Fiserv subsidiary, 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, our payments businesses are subject to federal regulation in the United States, 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.

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

Our balance sheet includes goodwill and intangible assets that represent 77% of our total assets at December 31, 2011. 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

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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 have a material negative effect on our results of operations.

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

As of December 31, 2011, we had approximately \$3.4 billion of 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: decrease our ability to obtain additional financing for working capital, capital expenditures, general corporate or other purposes; limit our flexibility to make acquisitions; increase our cash requirements to support the payment of interest; limit our flexibility in planning for, or reacting to, changes in our business and our industry; and increase our vulnerability to adverse changes in general economic and industry conditions. 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. In addition, if our outstanding senior notes are downgraded to below investment grade, we may incur additional interest expense. 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 and anticipated economic and credit market conditions.

### **Item 1B. Unresolved Staff Comments**

Not applicable.

### **Item 2. Properties**

We currently operate data, development, item processing and support centers in 139 cities. We own eight buildings, and the remaining 150 locations where we operate our businesses are subject to leases expiring in 2012 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 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 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. 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. Mine Safety Disclosures**

Not applicable.



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### EXECUTIVE OFFICERS OF THE REGISTRANT

The names of our executive officers as of February 22, 2012, together with their ages, positions and business experience are described below:

<u>Name</u>	<u>Age</u>	<u>Title</u>
Jeffery W. Yabuki	51	President, Chief Executive Officer and Director
James W. Cox	48	Executive Vice President, Corporate Development
Mark A. Ernst	53	Executive Vice President and Chief Operating Officer
Michael P. Gianoni	51	Executive Vice President and Group President, Financial Institutions
Rahul Gupta	52	Executive Vice President and Group President, Digital Payment Solutions
Thomas J. Hirsch	48	Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary
Charles W. Sprague	62	Executive Vice President, General Counsel and Secretary
Steven Tait	52	Executive Vice President and Group President, International
Thomas W. Warsop III	45	Executive Vice President and Group President, Depository Institution Services and Distribution and Sales

*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 of 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 the 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. He joined Fiserv in 2001 with our 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. Ernst* has served as Executive Vice President and Chief Operating Officer since 2011. Prior to joining Fiserv, he served as deputy commissioner for operations support for the Internal Revenue Service from 2009 to 2010, where he was responsible for technology, operations, shared services, human resources and the chief financial office. From 2008 to 2009, he was chief executive officer of Bellevue Capital LLC, a private investment firm; from 2001 to 2007, he served as chairman, president and chief executive officer of H&R Block, Inc., a financial services firm; and from 1998 to 2000, he served as its chief operating officer. His experience, which includes executive positions with the American Express Company, a financial services firm, spans more than 25 years in the financial services industry.

*Mr. Gianoni* has served as Executive Vice President and Group President, Financial Institutions since 2010. Mr. Gianoni joined Fiserv in 2007 as President of our Investment Services business. Prior to that, from 2006 to 2007, he served as executive vice president of CheckFree Corporation and general manager, CheckFree Investment Services Division; and, from 1994 to 2005, he was senior vice president of DST Systems, Inc.

*Mr. Gupta* has served as Executive Vice President and Group President, Digital Payment Solutions since 2011. He joined Fiserv in 2006 as President of our Payments and Industry Products Group and, from 2009 to 2011,

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served as President of our Card Services business. Prior to joining Fiserv, Mr. Gupta served as president of U.S. operations at eFunds Corporation, a leading payments and risk management solutions provider, and held executive and senior management positions with i2 Technologies, Financial Settlement Matrix, Fidelity Investments and Price Waterhouse Consulting.

*Mr. Hirsch* has served as Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary since 2006. Mr. Hirsch joined Fiserv in 1994 as a divisional assistant controller, became assistant corporate controller in 1996, corporate vice president in 1997, corporate controller in 1999 and senior vice president and controller in 2002. Prior to joining Fiserv, Mr. Hirsch was an audit manager with Deloitte & Touche LLP.

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

*Mr. Tait* has served as Executive Vice President and Group President, International since early 2012. He joined Fiserv in 2009 as an Executive Vice President and served as Group President, Depository Institution Services from 2010 to 2011. Prior to joining Fiserv, Mr. Tait served as president of RSM McGladrey, a subsidiary of H&R Block Inc., from 2003 to 2009, and executive vice president, sales and client operations of Gartner, Inc. from 2001 to 2003.

*Mr. Warsop* has served as Executive Vice President and Group President, Depository Institution Services and Distribution and Sales since early 2012. He joined Fiserv in 2007 and served as Group President, Financial Institutions from 2007 to 2009 and Group President, Global Sales since 2010. Before joining Fiserv, Mr. Warsop served for 17 years in various capacities, including vice president, U.S. 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.

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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	2011		2010	
	High	Low	High	Low
March 31	\$ 63.88	\$ 57.75	\$ 51.58	\$ 44.80
June 30	64.89	60.46	55.27	44.93
September 30	65.41	48.75	55.09	44.85
December 31	61.27	49.35	60.64	53.11

At December 31, 2011, our common stock was held by 2,538 shareholders of record and by a significantly greater number of shareholders who hold shares in nominee or street name accounts with brokers. The closing price of our common stock on February 21, 2012 was \$65.31 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, 2011:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(1)</sup>
October 1-31, 2011	-	-	-	5,713,572
November 1-30, 2011	-	-	-	5,713,572
December 1-31, 2011	999,845	\$ 58.04	999,845	4,713,727
Total	999,845		999,845	

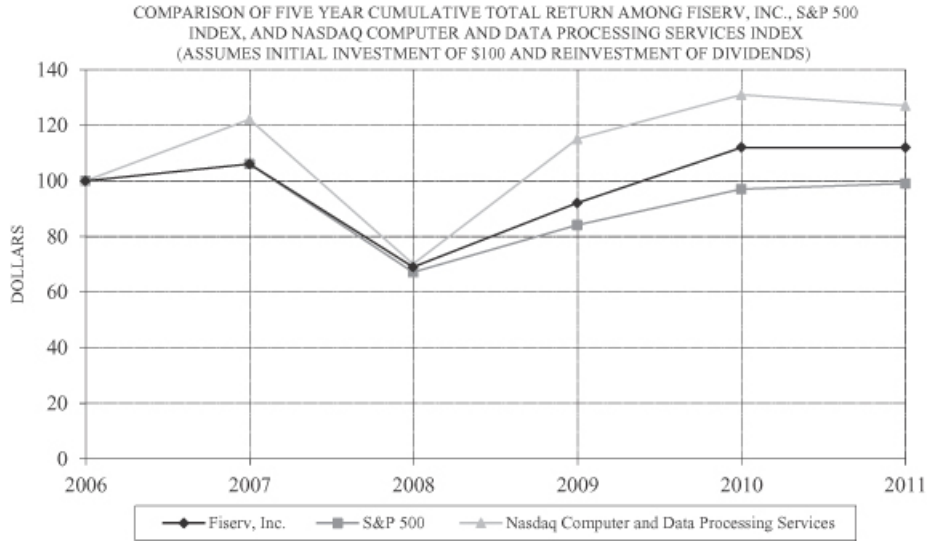
- (1) On May 25, 2011, we announced that our board of directors authorized the purchase of up to 7.5 million shares of our common stock. On February 22, 2012, our board of directors authorized the purchase of up to 10.0 million additional shares of our common stock. These authorizations do not expire.

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**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, 2011 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, 2006 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,					
	2006	2007	2008	2009	2010	2011
Fiserv, Inc.	\$ 100	\$ 106	\$ 69	\$ 92	\$ 112	\$ 112
S&P 500 Index	100	106	67	84	97	99
Nasdaq Computer and Data Processing Services Index	100	122	70	115	131	127

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### 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 accompanying notes included elsewhere in this Annual Report on Form 10-K.

<b>(In millions, except per share data)</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Total revenue	\$4,337	\$4,133	\$4,077	\$4,587	\$ 3,677
Income from continuing operations	\$ 491	\$ 506	\$ 473	\$ 358	\$ 412
Income (loss) from discontinued operations	(19)	(10)	3	211	27
Net income	<u>\$ 472</u>	<u>\$ 496</u>	<u>\$ 476</u>	<u>\$ 569</u>	<u>\$ 439</u>
Net income (loss) per share – basic:					
Continuing operations	\$ 3.44	\$ 3.37	\$ 3.06	\$ 2.21	\$ 2.47
Discontinued operations	(0.13)	(0.07)	0.02	1.30	0.16
Total	<u>\$ 3.31</u>	<u>\$ 3.30</u>	<u>\$ 3.08</u>	<u>\$ 3.51</u>	<u>\$ 2.64</u>
Net income (loss) per share – diluted:					
Continuing operations	\$ 3.40	\$ 3.34	\$ 3.04	\$ 2.20	\$ 2.44
Discontinued operations	(0.13)	(0.07)	0.02	1.29	0.16
Total	<u>\$ 3.28</u>	<u>\$ 3.27</u>	<u>\$ 3.06</u>	<u>\$ 3.49</u>	<u>\$ 2.60</u>
Total assets	\$8,548	\$8,281	\$8,378	\$9,331	\$11,846
Long-term debt (including current maturities)	3,395	3,356	3,641	4,105	5,405
Shareholders' equity	3,258	3,229	3,026	2,594	2,467

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

Management's discussion and analysis of financial condition and results of operations is provided as a supplement to our consolidated financial statements and accompanying notes 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:

- *Overview.* This section contains background information on our company and the services and products that we provide, our enterprise priorities and the trends and developments affecting our industry in order to provide context for management's discussion and analysis of our financial condition and results of operations.
- *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 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.
- *Results of operations.* This section contains an analysis of our results of operations by comparing the results for the year ended December 31, 2011 to the results for the year ended December 31, 2010, and comparing the results for the year ended December 31, 2010 to the results for the year ended December 31, 2009.
- *Liquidity and capital resources.* This section provides an analysis of our cash flows and a discussion of our outstanding debt and commitments at December 31, 2011.

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### Overview

#### *Company Background*

We are a leading global provider of financial services technology. We provide account processing systems, electronic payments processing products and services, Internet and mobile banking systems, and related services. We serve approximately 16,000 clients worldwide including banks, thrifts, credit unions, investment management firms, leasing and finance companies, retailers, merchants and government agencies. The majority of our revenue is generated from recurring account- and transaction-based fees under contracts that generally have terms of three to five years, and we have experienced high contract renewal rates with our clients. The majority of the services we provide are necessary for our clients to operate their business and are, therefore, non-discretionary in nature.

Our operations are primarily in the United States and are comprised of the Payments and Industry Products (“Payments”) segment, the Financial Institution Services (“Financial”) segment and the Corporate and Other segment. The Payments segment primarily provides electronic bill payment and presentment services, debit and other card-based payment products and services, Internet and mobile banking software and services, and other electronic payments software and services including account-to-account transfers and person-to-person payments. Our businesses in this segment also provide investment account processing services for separately managed accounts, card and print personalization services, and fraud and risk management products and services. The Financial segment provides banks, thrifts and credit unions with account processing services, item processing and source capture services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Corporate and Other segment primarily consists of unallocated corporate expenses, amortization of acquisition-related intangible assets and intercompany eliminations.

In September 2011, we acquired CashEdge Inc. (“CashEdge”), a leading provider of consumer and business payments solutions such as account-to-account transfer, account opening and funding, data aggregation, small business invoicing and payments, and person-to-person payments, for approximately \$460 million, net of cash acquired. The acquisition of CashEdge is expected to advance our digital payments strategies.

In the first quarter of 2011, we acquired Mobile Commerce Ltd. (“M-Com”), an international mobile banking and payments provider, and two other companies for an aggregate purchase price of approximately \$50 million. M-Com enhances our mobile and payments capabilities, and the other acquired companies add to or enhance specific products or services that we already provide.

#### *Enterprise Priorities*

We continue to implement a series of strategic initiatives to help accomplish our mission of providing integrated technology and services solutions that enable best-in-class results for our clients. These strategic initiatives include active portfolio management of our various businesses, enhancing the overall value of our existing client relationships, improving operational effectiveness, being disciplined in our allocation of capital, and differentiating our products and services through innovation. Our key enterprise priorities for 2012 are: (i) to deliver improved financial performance including an increased level of high quality revenue growth; (ii) to further center the Fiserv culture on growth resulting in more clients and deeper client relationships and to secure a higher share of strategic solutions; and (iii) to provide innovative solutions that increase differentiation and enhance results for our clients.

#### *Industry Trends*

Market and regulatory conditions have continued to create a difficult operating environment for financial institutions and other businesses in the United States and internationally. As a result, financial institutions have

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exercised caution in their information technology spending. Despite this environment, in 2011, our revenue increased 5%, to \$4.3 billion, as compared to 2010; net income per share from continuing operations increased 2% to \$3.40, which included a charge of \$0.37 per share for the loss on early debt extinguishment, as compared to 2010; and net cash provided by operating activities from continuing operations was \$953 million. We believe this revenue growth demonstrates the resilience of our recurring fee-based revenue model, the largely non-discretionary nature of our products and services, and mild improvement in the general condition of the financial industry. In recent years, many of our financial institution clients have finalized their spending decisions later in the year. As a result, we have seen, and expect to continue to see, a larger percentage of our annual revenue occurring in the second half of the year. We believe that financial institutions are increasingly focused on technology solutions that we provide to help them win and retain customers, generate incremental revenue and enhance their operating efficiency. We anticipate that we will benefit over the long term from the trend of financial institutions moving from in-house transaction processing solutions to outsourced solutions.

In each of 2010 and 2009, approximately 1% of all financial institutions in the United States failed or were subject to government action. The number of government actions and the average size of institutions impacted by such actions decreased in 2011 as compared to 2010. These reductions resulted in the loss of a small number of our clients. In 2012, we believe that the number of government actions will continue to decline as compared to 2011. Bank failures and forced consolidations have been, to some extent, offset by a general decline in the level of acquisition activity among financial institutions. A consolidation benefits us when a newly combined institution is processed on our platform, or elects to move to one of our platforms, and negatively impacts us when a competing platform is selected. Consolidations and acquisitions also impact our financial results due to early contract termination fees in our multi-year client contracts. These fees are primarily generated when an existing client is acquired by another financial institution and can vary from period to period based on the number and size of clients that are acquired and how early in the contract term the contract is terminated. We generally do not receive contract termination fees when a financial institution is subject to a government action.

In addition, legislation such as the Dodd-Frank Wall Street Reform and Consumer Protection Act has generated, and will continue to generate, numerous new regulations that will impact the financial industry. It is too early, however, to fully determine the overall impact of this complex legislation on us or our clients over the long term.

### ***Business Developments***

We continue to invest in the development of new and strategic products in categories such as payments, including person-to-person payments; Mobiliti for mobile banking and payments services; account processing, including Acumen, our next generation account processing platform for large credit unions; and others that we believe will increase value to our clients and enhance the capabilities of our existing solutions. We believe our wide range of market-leading solutions along with the investments we are making in new and differentiated products will favorably position us and our clients to capitalize on opportunities in the marketplace.

### **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. The preparation of these financial statements requires our management to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, revenue 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.

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### *Acquisitions*

We 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 significant judgments. We use 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 intangible assets to determine whether such estimated useful lives continue to be appropriate.

### *Goodwill and Acquired Intangible Assets*

We review the carrying value of goodwill for impairment annually and whenever events or changes in circumstances indicate the carrying value may not be recoverable. In 2011, we early adopted guidance from the Financial Accounting Standards Board related to the assessment of qualitative factors in evaluating goodwill for impairment. The adoption of this guidance did not impact our consolidated financial statements. When reviewing goodwill for impairment, we first assess numerous qualitative factors to determine whether it is more likely than not that the fair value of our reporting units are less than their respective carrying values. Examples of qualitative factors that we assess include our share price, our financial performance, market and competitive factors in our industry and other events specific to our reporting units. If it is concluded that it is more likely than not that the fair value of a reporting unit is less than its carrying value, then we perform a quantitative two-step goodwill impairment test. The first step in this test is to compare the fair value of the reporting unit to its carrying value. We determine the fair value of a reporting unit based on the present value of estimated future cash flows. If the fair value of the reporting unit exceeds the carrying value of the unit's net assets, goodwill of that reporting unit 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. Determining the fair value of a reporting unit 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 2011 determined that our goodwill was not impaired. Based on the most recent fair value estimates, the fair value of each of our reporting units exceeded its carrying value by a substantial margin.

We review acquired intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. Recoverability is assessed by comparing the carrying amount of the asset to the undiscounted future cash flows expected to be generated by the asset. Measurement of any impairment loss is based on estimated fair value. 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 consolidated financial statements. Based on our impairment assessments in 2011, we determined that our acquired intangible assets were not impaired.

### *Revenue Recognition*

The majority of our revenue is generated from monthly account- and transaction-based fees. Deferred revenue consists primarily of advance billings for services. Revenue is recognized as services are provided. Revenue is 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.



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### *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 letters of credit. We use derivative financial instruments for managing our exposure to changes in interest rates, managing our ratio of fixed to floating-rate debt and foreign exchange rate risks. We do not enter into any derivative financial instruments for speculative purposes.

### **Results of Operations**

#### *Components of Revenue and Expenses*

The following summary describes the components of revenue 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 revenue, which in 2011 represented 82% of our consolidated revenue, is 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 performed. Processing and services revenue is 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 software applications; client support; depreciation and amortization; and other operating expenses.

#### *Product*

Product revenue, which in 2011 represented 18% of our consolidated revenue, is derived from integrated print and card production (13%) and software licenses (5%). Cost of product includes costs directly associated with the products sold and includes the following: costs of materials and software development; 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.

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**Financial Results**

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

Years Ended December 31, (In millions)	2011	2010	2009	Percentage of Revenue <sup>(1)</sup>			Increase (Decrease)			
				2011	2010	2009	2011 vs. 2010		2010 vs. 2009	
<b>Revenue:</b>										
Processing and services	\$3,543	\$3,415	\$3,329	81.7%	82.6%	81.7%	\$ 128	4%	\$ 86	3%
Product	794	718	748	18.3%	17.4%	18.3%	76	11%	(30)	(4%)
Total revenue	<u>4,337</u>	<u>4,133</u>	<u>4,077</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>204</u>	<u>5%</u>	<u>56</u>	<u>1%</u>
<b>Expenses:</b>										
Cost of processing and services	1,941	1,853	1,844	54.8%	54.3%	55.4%	88	5%	9	-
Cost of product	601	533	536	75.7%	74.2%	71.7%	68	13%	(3)	(1%)
Sub-total	2,542	2,386	2,380	58.6%	57.7%	58.4%	156	7%	6	-
Selling, general and administrative	799	740	751	18.4%	17.9%	18.4%	59	8%	(11)	(1%)
Total expenses	<u>3,341</u>	<u>3,126</u>	<u>3,131</u>	<u>77.0%</u>	<u>75.6%</u>	<u>76.8%</u>	<u>215</u>	<u>7%</u>	<u>(5)</u>	<u>-</u>
Operating income	996	1,007	946	23.0%	24.4%	23.2%	(11)	(1%)	61	6%
Interest expense	(188)	(198)	(220)	(4.3%)	(4.8%)	(5.4%)	(10)	(5%)	(22)	(10%)
Interest income	6	10	8	0.1%	0.2%	0.2%	(4)	(40%)	2	25%
Loss on early debt extinguishment	(85)	(26)	-	(2.0%)	(0.6%)	-	59	227%	26	-
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	<u>\$ 729</u>	<u>\$ 793</u>	<u>\$ 734</u>	<u>16.8%</u>	<u>19.2%</u>	<u>18.0%</u>	<u>\$ (64)</u>	<u>(8%)</u>	<u>\$ 59</u>	<u>8%</u>

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

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<b>Years Ended December 31, (In millions)</b>	<b>Payments</b>	<b>Financial</b>	<b>Corporate and Other</b>	<b>Total</b>
<b>Total revenue:</b>				
2011	\$ 2,381	\$ 2,004	\$ (48)	\$ 4,337
2010	2,208	1,951	(26)	4,133
2009	2,160	1,942	(25)	4,077
2011 Revenue growth	\$ 173	\$ 53	\$ (22)	\$ 204
2011 Revenue growth percentage	8%	3%		5%
2010 Revenue growth	\$ 48	\$ 9	\$ (1)	\$ 56
2010 Revenue growth percentage	2%	-		1%
<b>Operating income:</b>				
2011	\$ 656	\$ 613	\$ (273)	\$ 996
2010	625	591	(209)	1,007
2009	617	569	(240)	946
<b>Operating income growth (decline):</b>				
2011	\$ 31	\$ 22	\$ (64)	\$ (11)
2011 percentage	5%	4%		(1%)
2010	\$ 8	\$ 22	\$ 31	\$ 61
2010 percentage	1%	4%		6%
<b>Operating margin:</b>				
2011	27.5%	30.6%		23.0%
2010	28.3%	30.3%		24.4%
2009	28.6%	29.3%		23.2%
<b>Operating margin growth (decline): <sup>(1)</sup></b>				
2011	(0.8%)	0.3%		(1.4%)
2010	(0.3%)	1.0%		1.2%

<sup>(1)</sup> Represents the percentage point improvement or decline in operating margin.

*Total Revenue*

Total revenue increased \$204 million, or 5%, in 2011 and increased \$56 million, or 1%, in 2010 compared to the prior years. The increase in total revenue during 2011 was primarily due to 8% revenue growth in our Payments segment and 3% revenue growth in our Financial segment, in each case, as compared to 2010. The increase in total revenue during 2010 was primarily due to 2% revenue growth in our Payments segment as compared to 2009. Revenue from acquired companies contributed \$30 million and \$3 million to revenue in 2011 and 2010, respectively.

Revenue in our Payments segment increased \$173 million, or 8%, in 2011 and increased \$48 million, or 2%, in 2010 compared to the prior years. Revenue from acquired companies totaled \$26 million and positively impacted revenue growth by approximately one percentage point in 2011. Revenue growth in our Payments segment during 2011 and 2010 was primarily driven by our recurring revenue businesses as processing and services revenue increased \$99 million, or 6%, and \$58 million, or 4%, in 2011 and 2010, respectively. The growth in both years was primarily due to new clients and increased transaction volumes from existing clients in our electronic payments businesses, including our electronic banking and card services businesses. In addition, higher postage pass-through revenue, which is included in both product revenue and cost of product, in our output solutions business contributed approximately three percentage points of growth in this segment in 2011. In 2010, Payments segment revenue growth of 2% was negatively impacted by lower product revenue in our output solutions business, which decreased \$10 million, or 2%, as compared to 2009.

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Revenue in our Financial segment increased \$53 million, or 3%, in 2011 and increased \$9 million, or 0.5%, in 2010 compared to the prior years. Revenue growth in our Financial segment was favorably impacted by increases of \$42 million and \$31 million, or 2% in each of 2011 and 2010, in processing and services revenue due primarily to increased revenue in our bank and credit union account processing businesses and, in 2010, by higher contract termination fee revenue. Revenue growth was negatively impacted by volume declines in our check processing business in 2011 and 2010. In 2011, Financial segment revenue growth was favorably impacted by an \$11 million increase in product revenue, primarily due to higher software license revenue, and in 2010, product revenue was negatively impacted by a decline in software license revenue compared to the prior year periods.

### *Total Expenses*

Total expenses increased \$215 million, or 7%, in 2011 compared to 2010 and decreased \$5 million, or 0.2%, in 2010 compared to 2009. Total expenses as a percentage of total revenue were 77.0%, 75.6% and 76.8% in 2011, 2010 and 2009, respectively.

Cost of processing and services as a percentage of processing and services revenue increased to 54.8% in 2011 and decreased to 54.3% in 2010 from 55.4% in 2009. In 2011 and 2010, cost of processing and services as a percentage of processing and services revenue was favorably impacted by increased operating leverage in our recurring revenue businesses, operating efficiency initiatives across the company, and the implementation of strategic initiatives that lowered our overall cost structure. In 2011, cost of processing and services as a percentage of processing and services revenue was negatively impacted by increased expenses associated with the development and support of new and existing products and services and increased employee compensation costs. These new products and services include Mobiliti for mobile banking and payments services and Acumen, our next generation account processing platform for large credit unions.

Cost of product as a percentage of product revenue was 75.7% in 2011 compared to 74.2% in 2010 and 71.7% in 2009. The increase in cost of product in 2011 was primarily due to an increase in postage pass-through revenue and expenses in our output solutions business. Cost of product was relatively unchanged in 2010 compared to 2009. Cost of product as a percentage of product revenue, however, increased in 2010 due primarily to a decline in higher-margin software license revenue.

Selling, general and administrative expenses increased \$59 million, or 8%, and decreased \$11 million, or 1%, in 2011 and 2010, respectively, compared to the prior years. The increase in selling, general and administrative expenses in 2011 compared to 2010 was primarily in our Corporate and Other segment due to \$18 million of employee severance expenses, increased employee compensation and commission costs totaling \$15 million, and higher merger and integration costs of \$12 million. The decrease in selling, general and administrative expenses in 2010 compared to 2009 was primarily due to lower employee severance expenses and a \$5 million gain on the sale of a facility which reduced expenses in 2010.

### *Operating Income and Operating Margin*

Total operating income decreased \$11 million, or 1%, in 2011 and increased \$61 million, or 6%, in 2010 compared to the prior years. Operating income in 2011 was negatively impacted by higher expenses in our Corporate and Other segment and favorably impacted by operating income growth of 5% and 4% in our Payments and Financial segments, respectively. Operating margin decreased to 23.0% in 2011 from 24.4% in 2010 and increased in 2010 from 23.2% in 2009. The operating margin decline of 140 basis points in 2011 was primarily due to increased operating losses in our Corporate and Other segment. The operating margin improvement of 120 basis points in 2010 was due in part to operational effectiveness activities and the implementation of strategic initiatives that lowered our overall cost structure.

Operating income in our Payments segment increased \$31 million, or 5%, and \$8 million, or 1%, in 2011 and 2010, respectively, compared to the prior years. Operating margins were 27.5%, 28.3% and 28.6% in 2011, 2010

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and 2009, respectively, and decreased 80 basis points in 2011 and 30 basis points in 2010. Payments segment operating income in 2011 and 2010 was favorably impacted by improved revenue growth and increased operating leverage and scale efficiencies in our electronic payments businesses. Operating margins in 2011 and 2010 were negatively impacted by increased expenses associated with the development and support of new and existing products and services. In addition, operating margin in the Payments segment in 2011 was negatively impacted by approximately 80 basis points due to increased postage pass-through costs, which are included in both revenue and expenses.

Operating income in our Financial segment increased \$22 million, or 4%, in each of 2011 and 2010 compared to the prior years. Operating margins improved in both years and were 30.6%, 30.3% and 29.3% in 2011, 2010 and 2009, respectively. These improvements in operating income and operating margin were primarily due to improved revenue growth and cost efficiencies in our bank and credit union account and item processing businesses. In addition, in 2011, operating income and operating margin were positively impacted by higher software license revenue and negatively impacted by increased expenses associated with our new Acumen account processing platform. In 2010, operating income and margins were positively impacted by an increase in higher-margin contract termination fee revenue and negatively impacted by a decrease in higher-margin software license revenue.

The operating loss in our Corporate and Other segment increased \$64 million in 2011 and decreased \$31 million in 2010 compared to the prior years. The operating loss increase in 2011 was primarily due to employee severance costs of \$18 million, higher merger and integration costs of \$17 million, a \$9 million increase in amortization of acquisition-related intangible assets and a \$5 million gain on the sale of a facility recorded in 2010. The operating loss decrease in 2010 compared to 2009 was primarily due to a \$21 million decrease in employee severance expenses and lower merger and integration costs associated with our acquisition of CheckFree Corporation (“CheckFree”).

### *Interest Expense*

Interest expense decreased \$10 million, or 5%, and \$22 million, or 10%, in 2011 and 2010, respectively, compared to the prior years. These decreases were primarily due to lower average interest rates in 2011 and 2010 as compared to the prior years and, in 2010, a reduction in average outstanding borrowings as compared to 2009.

### *Loss on Early Debt Extinguishment*

In June 2011, we purchased \$700 million aggregate principal amount of our 6.125% senior notes due in November 2012 in a tender offer for \$754 million, and in July 2011, we redeemed the remaining \$300 million aggregate principal amount of these notes for \$322 million. In October 2010, we purchased \$250 million aggregate principal amount of our 6.125% senior notes due in November 2012 for \$276 million. We recorded pre-tax losses on early debt extinguishment for the premiums paid and other costs associated with these transactions of \$85 million in 2011 and \$26 million in 2010.

### *Income Tax Provision*

Our effective income tax rate for continuing operations was 35.1% in 2011, 38.0% in 2010 and 37.2% in 2009. The lower effective tax rate in 2011 compared to 2010 was primarily due to the resolution of tax audits and changes in state tax laws. The higher effective tax rate in 2010 compared to 2009 was primarily due to a tax benefit recognized in 2009 in connection with the final settlement of a CheckFree purchase accounting income tax reserve.

### *Income from Investment in Unconsolidated Affiliate*

Our 49% share of the income of StoneRiver Group, L.P. (“StoneRiver”) was \$18 million, \$14 million and \$12 million in 2011, 2010 and 2009, respectively. In 2011, the \$4 million increase in income was primarily due to a \$3 million gain on the sale of a business by StoneRiver.

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### Income (Loss) from Discontinued Operations

Income (loss) from discontinued operations totaled \$(19) million, \$(10) million and \$3 million in 2011, 2010 and 2009, respectively. In 2009, we recognized a \$25 million after-tax gain from the sale of a business.

### Net Income Per Share - Diluted from Continuing Operations

Net income per share-diluted from continuing operations was \$3.40 in 2011 compared to \$3.34 in 2010 and \$3.04 in 2009. Net income per share-diluted from continuing operations was negatively impacted by losses on early debt extinguishment of \$0.37 per share and \$0.11 per share in 2011 and 2010, respectively. In addition, net income per share-diluted from continuing operations was negatively impacted in 2011 by \$0.08 per share due to employee severance expenses. The amortization of acquisition-related intangible assets also reduced net income per share-diluted from continuing operations by \$0.69, \$0.60 and \$0.58 in 2011, 2010 and 2009, respectively.

### 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 our cash flow generated by operations, our cash and cash equivalents at December 31, 2011 of \$337 million, and available borrowings under our revolving credit facility.

(In millions)	Years Ended December 31,		Increase (Decrease)	
	2011	2010	\$	%
Income from continuing operations	\$ 491	\$ 506	\$ (15)	
Depreciation and amortization	349	339	10	
Share-based compensation	39	39	-	
Loss on early debt extinguishment	85	26	59	
Dividend from unconsolidated affiliate	12	40	(28)	
Working capital	(20)	(8)	(12)	
Other	(3)	16	(19)	
Operating cash flow	<u>\$ 953</u>	<u>\$ 958</u>	<u>\$ (5)</u>	<u>(1%)</u>
Capital expenditures	<u>\$ 192</u>	<u>\$ 175</u>	<u>\$ 17</u>	<u>10%</u>

Our net cash provided by operating activities from continuing operations, or operating cash flow, decreased \$5 million, or 1%, to \$953 million in 2011 from \$958 million in 2010. In 2011, our operating cash flow was negatively impacted by a \$28 million decrease in the portion of StoneRiver dividends that are included in operating cash flow and a \$12 million increase in working capital compared to 2010. Our current policy is to use our operating cash flow to repay debt and to fund capital expenditures, acquisitions and share repurchases, rather than to pay dividends. Our capital expenditures of \$192 million and \$175 million in 2011 and 2010, respectively, were less than 5% of our total revenue in each year. The \$17 million increase in capital expenditures in 2011 was primarily due to equipment purchases associated with a new data center.

In 2011, we acquired CashEdge, M-Com, and two other companies for an aggregate purchase price of \$511 million, net of cash acquired. In 2011 and 2010, we received cash dividends of \$54 million and \$61 million, respectively, from StoneRiver. The portions of these dividends that represented returns on our investment, \$12 million in 2011 and \$40 million in 2010, are reported in cash flows from operating activities.

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### *Share Repurchases*

We purchased \$533 million, \$413 million and \$175 million of our common stock in 2011, 2010 and 2009, respectively. On May 25, 2011, we announced that our board of directors authorized the purchase of up to 7.5 million shares of our common stock and, as of December 31, 2011, we had 4.7 million shares remaining under this authorization. On February 22, 2012, our board of directors authorized the purchase of up to 10.0 million additional shares of our common stock. Shares repurchased are generally held for issuance in connection with our equity plans.

### *Indebtedness*

<b>(In millions)</b>	<b>December 31,</b>	
	<b>2011</b>	<b>2010</b>
Senior term loan	\$1,100	\$1,100
6.125% senior notes due 2012	-	999
3.125% senior notes due 2015	299	299
3.125% senior notes due 2016	599	-
6.8% senior notes due 2017	500	500
4.625% senior notes due 2020	449	449
4.75% senior notes due 2021	399	-
Other borrowings	49	9
Long-term debt (including current maturities)	<u>\$3,395</u>	<u>\$3,356</u>

In June 2011, we issued an aggregate of \$1.0 billion of senior notes due in 2016 and 2021 and used the proceeds from this offering to repurchase and redeem our senior notes due in 2012. At December 31, 2011, our long-term debt consisted primarily of \$1.1 billion senior term loan borrowings and \$2.25 billion of senior notes. We were in compliance with all financial debt covenants in 2011.

#### *Senior Term Loan*

We maintain an unsecured senior term loan facility with a syndicate of banks. Term loan borrowings under this facility bear interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate and mature in November 2012. The weighted-average variable interest rate on the term loan borrowings was 1.0% at December 31, 2011. The term loan facility contains various restrictions and covenants substantially similar to those contained in the revolving credit facility described below. At December 31, 2011, a portion of our term loan borrowings, \$925 million, was classified in our consolidated balance sheet as long-term debt because we have the intent to refinance this debt on a long-term basis and could do so under our revolving credit facility that expires in 2014.

#### *Senior Notes*

In June 2011, we issued \$1.0 billion of senior notes comprised of \$600 million of 3.125% senior notes due in June 2016 and \$400 million of 4.75% senior notes due in June 2021, which pay interest semi-annually on June 15 and December 15 of each year. In September 2010, we issued \$300 million of 3.125% senior notes due in October 2015 and \$450 million of 4.625% senior notes due in October 2020, which pay interest semi-annually on April 1 and October 1 of each year. Our 6.8% senior notes due in November 2017 pay interest at the stated rate on May 20 and November 20 of each year. The interest rates applicable to the senior 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 and certain of our subsidiaries' ability to create or assume liens; and our and certain of our subsidiaries' ability to engage in sale and leaseback transactions.

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In June 2011, we purchased \$700 million aggregate principal amount of our 6.125% senior notes due in November 2012 in a tender offer for \$754 million, and in July 2011, we redeemed the remaining \$300 million aggregate principal amount of these notes for \$322 million.

### ***Revolving Credit Facility***

We maintain a \$1.0 billion revolving credit facility with a syndicate of banks. Borrowings under this facility bear interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate (2.3% at December 31, 2011). There are no significant commitment fees and no compensating balance requirements. The facility expires in September 2014. As of December 31, 2011, there were letters of credit totaling \$28 million and no borrowings outstanding under the facility. The revolving credit facility contains various restrictions and covenants that require us, among other things, to (i) limit our consolidated indebtedness to no more than three and one-half times consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments and (ii) maintain consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments of at least three times consolidated interest expense.

### ***Interest Rate Hedge Contracts***

We maintain interest rate swap agreements ("Swaps") with total notional values of \$1.0 billion to hedge against changes in interest rates and forward-starting interest rate swap agreements ("Forward-Starting Swaps") with total notional values of \$550 million to hedge against changes in interest rates applicable to forecasted fixed rate borrowings. The Swaps and Forward-Starting Swaps expire in September 2012 and have been designated by us as cash flow hedges. The Swaps effectively fix the interest rates on floating rate term loan borrowings at a weighted-average rate of approximately 5.0%, prior to financing spreads and related fees. The Forward-Starting Swaps effectively fix the benchmark interest rate on forecasted five-year and ten-year borrowings at weighted-average rates of approximately 3.2% and 3.9%, respectively.

### ***Shelf Registration Statement***

In 2010, 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 debt or for working capital, acquisitions or general corporate purposes.

### ***Other***

Access to capital markets impacts our cost of capital, our ability to refinance maturing debt and our ability to fund future acquisitions. Our ability to access capital on favorable terms depends on a number of 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, 2011, we had a credit rating of Baa2 with a stable outlook from Moody's Investors Service, Inc. ("Moody's") and BBB- with a stable 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 nor will the total increase in the per annum interest rate exceed 2.0% above the original interest rate.



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### Off-Balance Sheet Arrangements and Contractual Obligations

We do not have any off-balance sheet arrangements other than letters of credit. The following table details our contractual cash obligations at December 31, 2011:

<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 <sup>(1)</sup>	\$ 4,169	\$ 335	\$ 1,214	\$ 1,080	\$ 1,540
Minimum operating lease payments <sup>(1)</sup>	350	92	135	71	52
Purchase obligations <sup>(1)</sup>	147	86	56	5	-
Income tax obligations	27	3	15	6	3
<b>Total</b>	<b>\$ 4,693</b>	<b>\$ 516</b>	<b>\$ 1,420</b>	<b>\$ 1,162</b>	<b>\$ 1,595</b>

<sup>(1)</sup> Interest, operating lease and purchase obligations are reported on a pre-tax basis.

#### 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 outstanding debt, investments of subscriber funds and foreign currency. 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 recipients. These subscriber funds are invested in short-term instruments that are guaranteed by the United States government. Subscriber funds are not included in our consolidated balance sheets and can fluctuate significantly based on consumer bill payment and debit card activity. Based on average subscriber funds balances during 2011 of approximately \$1.0 billion, a 1% increase in applicable interest rates would increase our annual pre-tax income by approximately \$10 million, and if applicable interest rates decreased to zero, our annual pre-tax income would decrease by less than \$5 million.

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 with total notional values of \$1 billion and forward-starting swaps with total notional values of \$550 million at December 31, 2011 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 outstanding debt with variable interest rates at December 31, 2011, a 1% increase in our borrowing rate would increase annual interest expense in 2012 by less than \$5 million.

We conduct business in the United States 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. dollar denominated foreign investments and foreign currency transactions. In 2011, 7% of our total revenue was from clients in foreign countries. 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, 2011, there would not have been a material adverse impact on our annual income from continuing operations or financial position.

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**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,**

	<b>2011</b>	<b>2010</b>	<b>2009</b>
Revenue:			
Processing and services	\$ 3,543	\$ 3,415	\$ 3,329
Product	794	718	748
Total revenue	<u>4,337</u>	<u>4,133</u>	<u>4,077</u>
Expenses:			
Cost of processing and services	1,941	1,853	1,844
Cost of product	601	533	536
Selling, general and administrative	799	740	751
Total expenses	<u>3,341</u>	<u>3,126</u>	<u>3,131</u>
Operating income	996	1,007	946
Interest expense	(188)	(198)	(220)
Interest income	6	10	8
Loss on early debt extinguishment	(85)	(26)	-
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	729	793	734
Income tax provision	(256)	(301)	(273)
Income from investment in unconsolidated affiliate	18	14	12
Income from continuing operations	491	506	473
Income (loss) from discontinued operations, net of income taxes	(19)	(10)	3
Net income	<u>\$ 472</u>	<u>\$ 496</u>	<u>\$ 476</u>
Net income (loss) per share - basic:			
Continuing operations	\$ 3.44	\$ 3.37	\$ 3.06
Discontinued operations	(0.13)	(0.07)	0.02
Total	<u>\$ 3.31</u>	<u>\$ 3.30</u>	<u>\$ 3.08</u>
Net income (loss) per share - diluted:			
Continuing operations	\$ 3.40	\$ 3.34	\$ 3.04
Discontinued operations	(0.13)	(0.07)	0.02
Total	<u>\$ 3.28</u>	<u>\$ 3.27</u>	<u>\$ 3.06</u>
Shares used in computing net income (loss) per share:			
Basic	142.6	150.4	154.5
Diluted	144.2	151.7	155.4

See accompanying notes to consolidated financial statements.

**FISERV, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

<b>In millions</b>			
<b>Years ended December 31,</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Net income	\$ 472	\$ 496	\$ 476
Other comprehensive income (loss):			
Fair market value adjustment on cash flow hedges, net of income taxes of \$34 million, \$12 million and \$1 million	(51)	(18)	(2)
Reclassification adjustment for net realized losses on cash flow hedges included in interest expense, net of income taxes of \$21 million, \$23 million and \$27 million	31	34	40
Foreign currency translation	(8)	3	13
Total other comprehensive income (loss)	(28)	19	51
Comprehensive income	<u>\$ 444</u>	<u>\$ 515</u>	<u>\$ 527</u>

See accompanying notes to consolidated financial statements.

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**FISERV, INC.**  
**CONSOLIDATED BALANCE SHEETS**

<b>In millions</b>		
<b>December 31,</b>	<b>2011</b>	<b>2010</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 337	\$ 563
Trade accounts receivable, less allowance for doubtful accounts	666	572
Deferred income taxes	44	37
Prepaid expenses and other current assets	309	245
Total current assets	1,356	1,417
Property and equipment, net	258	267
Intangible assets, net	1,881	1,879
Goodwill	4,720	4,377
Other long-term assets	333	341
Total assets	<u>\$ 8,548</u>	<u>\$ 8,281</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Accounts payable and accrued expenses	\$ 836	\$ 537
Current maturities of long-term debt	179	3
Deferred revenue	369	351
Total current liabilities	1,384	891
Long-term debt	3,216	3,353
Deferred income taxes	617	627
Other long-term liabilities	73	181
Total liabilities	<u>5,290</u>	<u>5,052</u>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>SHAREHOLDERS' EQUITY</b>		
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 shares issued	2	2
Additional paid-in capital	777	750
Accumulated other comprehensive loss	(78)	(50)
Retained earnings	5,339	4,867
Treasury stock, at cost, 57.8 million and 51.0 million shares	(2,782)	(2,340)
Total shareholders' equity	<u>3,258</u>	<u>3,229</u>
Total liabilities and shareholders' equity	<u>\$ 8,548</u>	<u>\$ 8,281</u>

See accompanying notes to consolidated financial statements.

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**FISERV, INC.**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**

<b>In millions</b>	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	
	<u>Shares</u>	<u>Amount</u>				<u>Shares</u>	<u>Amount</u>
Balance at December 31, 2008	198	\$ 2	\$ 706	\$ (120)	\$ 3,895	42	\$ (1,889)
Net income					476		
Other comprehensive income				51			
Share-based compensation			36				
Shares issued under stock plans including income tax benefits			(15)			(1)	62
Purchases of treasury stock						4	(178)
Balance at December 31, 2009	198	2	727	(69)	4,371	45	(2,005)
Net income					496		
Other comprehensive income				19			
Share-based compensation			39				
Shares issued under stock plans including income tax benefits			(16)			(2)	83
Purchases of treasury stock						8	(418)
Balance at December 31, 2010	198	2	750	(50)	4,867	51	(2,340)
Net income					472		
Other comprehensive loss				(28)			
Share-based compensation			39				
Shares issued under stock plans including income tax benefits			(12)			(2)	91
Purchases of treasury stock						9	(533)
Balance at December 31, 2011	<u>198</u>	<u>\$ 2</u>	<u>\$ 777</u>	<u>\$ (78)</u>	<u>\$ 5,339</u>	<u>58</u>	<u>\$ (2,782)</u>

See accompanying notes to consolidated financial statements.

**FISERV, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

In millions Years ended December 31,	2011	2010	2009
<b>Cash flows from operating activities:</b>			
Net income	\$ 472	\$ 496	\$ 476
Adjustment for discontinued operations	19	10	(3)
Adjustments to reconcile net income to net cash provided by operating activities from continuing operations:			
Depreciation and other amortization	192	191	188
Amortization of acquisition-related intangible assets	157	148	145
Share-based compensation	39	39	36
Deferred income taxes	29	37	64
Loss on early debt extinguishment	85	26	-
Dividend from unconsolidated affiliate	12	40	-
Settlement of interest rate hedge contracts	(6)	-	-
Other non-cash items	(26)	(21)	(13)
Changes in assets and liabilities, net of effects from acquisitions and dispositions:			
Trade accounts receivable	(83)	(12)	44
Prepaid expenses and other assets	(25)	4	(9)
Accounts payable and other liabilities	78	(26)	(71)
Deferred revenue	10	26	(7)
Net cash provided by operating activities from continuing operations	<u>953</u>	<u>958</u>	<u>850</u>
<b>Cash flows from investing activities:</b>			
Capital expenditures, including capitalization of software costs	(192)	(175)	(198)
Payments for acquisitions of businesses, net of cash acquired	(511)	(9)	-
Payments from (advances to) unconsolidated affiliate	42	49	(57)
Other investing activities	(4)	19	7
Net cash used in investing activities from continuing operations	<u>(665)</u>	<u>(116)</u>	<u>(248)</u>
<b>Cash flows from financing activities:</b>			
Proceeds from long-term debt	1,189	748	-
Repayments of long-term debt, including premium and costs	(1,226)	(1,060)	(475)
Issuance of common stock and treasury stock	73	62	45
Purchases of treasury stock	(533)	(413)	(175)
Other financing activities	(1)	(8)	4
Net cash used in financing activities from continuing operations	<u>(498)</u>	<u>(671)</u>	<u>(601)</u>
Net change in cash and cash equivalents from continuing operations	(210)	171	1
Net cash transactions transferred (to) from discontinued operations	(16)	29	132
Beginning balance	<u>563</u>	<u>363</u>	<u>230</u>
Ending balance	<u>\$ 337</u>	<u>\$ 563</u>	<u>\$ 363</u>
<b>Discontinued operations cash flow information:</b>			
Net cash (used in) provided by operating activities	\$ (16)	\$ 14	\$ (6)
Net cash provided by investing activities	-	15	921
Net cash used in financing activities	-	-	(821)
Net change in cash and cash equivalents from discontinued operations	(16)	29	94
Net cash transactions transferred from (to) continuing operations	16	(29)	(132)
Beginning balance - discontinued operations	-	-	38
Ending balance - discontinued operations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to consolidated financial statements.

**Notes to Consolidated Financial Statements**  
**Years ended December 31, 2011, 2010 and 2009**

**1. Summary of Significant Accounting Policies**

**Description of the Business**

Fiserv, Inc. and its subsidiaries (collectively, the “Company”) provide financial services technology to clients worldwide, including banks, thrifts, credit unions, investment management firms, leasing and finance companies, retailers, merchants and government agencies. The Company provides account processing systems, electronic payments processing products and services, Internet and mobile banking systems, and related services. The Company is principally located in the United States where it operates data and transaction processing centers, develops software, performs item processing and check imaging and provides technology support.

The Company’s operations are comprised of the Payments and Industry Products (“Payments”) segment, the Financial Institution Services (“Financial”) segment and the Corporate and Other segment. The Payments segment primarily provides electronic bill payment and presentment services, debit and other card-based payment products and services, Internet and mobile banking software and services, and other electronic payments software and services including account-to-account transfers and person-to-person payments. The businesses in this segment also provide investment account processing services for separately managed accounts, card and print personalization services, and fraud and risk management products and services. The Financial segment provides banks, thrifts and credit unions with account processing services, item processing and source capture services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Corporate and Other segment primarily consists of unallocated corporate expenses, amortization of acquisition-related intangible assets and intercompany eliminations.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Fiserv, Inc. and all 100% 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 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 revenue and expenses during the reporting period. Actual results could differ materially from those estimates.

**Statements of Comprehensive Income**

In 2011, the Company early adopted new accounting guidance from the Financial Accounting Standards Board (“FASB”) related to financial statement presentation of comprehensive income. Upon adoption of this guidance, the Company has reported a separate statement of comprehensive income for all periods presented. This guidance does not change the nature of or accounting for items reported within comprehensive income, and the adoption of this guidance did not impact the Company’s results of operations or financial condition.



**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**Dispositions**

In 2009, the Company completed the sale of its loan fulfillment services business and the remaining operating assets of its investment support services business (“Fiserv ISS”). Revenue from these disposed of businesses totaled \$147 million in 2009. Income (loss) from discontinued operations was (\$19) million, (\$10) million and \$3 million in 2011, 2010 and 2009, respectively, and included income tax benefits of \$13 million, \$14 million and \$13 million, respectively. In 2009, income from discontinued operations included an after-tax gain of \$25 million, including income taxes of \$15 million, with respect to a contingent purchase price payment for Fiserv ISS.

**Fair Value Measurements**

The Company applies fair value accounting for all assets and liabilities that are recognized or disclosed at fair value in its financial statements on a recurring basis. Fair value represents the amount that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, the Company considers the principal or most advantageous market and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability.

The fair values of cash equivalents, trade accounts receivable, settlement assets and obligations, accounts payable and accrued expenses approximate the carrying values due to the short period of time to maturity. The fair value of interest rate hedge contracts is described in Note 4 and was based on valuation models using inputs which are available through third party dealers and are related to market price risk, such as the LIBOR interest rate curve, credit risk and time value. The fair value of long-term debt is also described in Note 4 and was estimated using discounted cash flows based on the Company’s current incremental borrowing rates or quoted prices in active markets.

**Derivative Instruments**

Derivative instruments are recorded on the balance sheets as either an asset or liability measured at fair value. 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. 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 fair value hedge is effective, there is an offsetting adjustment to the basis of the item being hedged. 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. Revenue 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 revenue is primarily derived from account- and transaction-based fees for data processing, transaction processing, electronic billing and payment services, electronic funds transfer and debit

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

processing services, consulting services and software maintenance fees, and is recognized as services are provided. Software maintenance fee revenue for ongoing client support is recognized ratably over the term of the applicable support period, which is generally 12 months. Deferred revenue consists primarily of advance billings for services and is recognized as revenue when the services are provided.

Product revenue is primarily derived from integrated print and card production sales and software licenses. The Company recognizes product revenue, such as software license sales, which represent less than 5% of total revenue, when written contracts are signed, delivery of the product has occurred, the fee is fixed or determinable, and collection is reasonably assured.

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.

**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.

**Cash and Cash Equivalents**

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

**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 \$9 million at December 31, 2011 and 2010.

**Settlement Assets and Obligations**

Settlement assets of \$183 million and \$114 million were included in prepaid expenses and other current assets at December 31, 2011 and 2010, respectively, and settlement obligations of \$195 million and \$119 million were included in accrued expenses at December 31, 2011 and 2010, respectively. Settlement assets and obligations primarily represent amounts receivable from or payable to clients, agents and payment networks associated with the Company's walk-in and expedited bill payment service businesses. The majority of these assets and obligations result from timing differences, which are typically less than seven days, between collecting funds from payment networks or directly from consumers who are making payments and depositing the funds collected into the Company's bank accounts. Settlement assets and obligations also arise due to the reporting of transactions to clients prior to fulfilling the payment obligation. The increase in settlement assets and obligations at December 31, 2011 compared to December 31, 2010 was primarily due to timing as settlement balances are typically higher when the last business day of the year is a Friday.

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**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**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:

<b>(In millions)</b>	<b>Estimated Useful Lives</b>	<b>2011</b>	<b>2010</b>
Land	-	\$ 23	\$ 23
Data processing equipment	3 to 7 years	489	476
Buildings and leasehold improvements	5 to 40 years	190	184
Furniture and equipment	3 to 10 years	163	161
		<u>865</u>	<u>844</u>
Less: accumulated depreciation		<u>(607)</u>	<u>(577)</u>
Total		<u>\$ 258</u>	<u>\$ 267</u>

Depreciation expense for all property and equipment totaled \$78 million, \$84 million and \$91 million in 2011, 2010 and 2009, respectively.

**Intangible Assets**

Intangible assets consisted of the following at December 31:

<b>2011 (In millions)</b>	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>
Customer related intangible assets	\$ 1,699	\$ 440	\$ 1,259
Acquired software and technology	420	204	216
Trade names	114	20	94
Capitalized software development costs	720	477	243
Purchased software	362	293	69
Total	<u>\$ 3,315</u>	<u>\$ 1,434</u>	<u>\$ 1,881</u>

<b>2010 (In millions)</b>	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>
Customer related intangible assets	\$ 1,639	\$ 343	\$ 1,296
Acquired software and technology	339	152	187
Trade names	114	14	100
Capitalized software development costs	730	512	218
Purchased software	377	299	78
Total	<u>\$ 3,199</u>	<u>\$ 1,320</u>	<u>\$ 1,879</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

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

technology represents software and technology intangible assets obtained as part of acquired businesses and are amortized over their estimated useful lives, generally four to eight years. Trade names are amortized over their estimated useful lives, generally 10 to 20 years. Amortization expense for acquired intangible assets, which include customer related intangible assets, acquired software and technology and trade names, totaled \$157 million, \$148 million and \$145 million in 2011, 2010 and 2009, respectively. The Company estimates that annual amortization expense with respect to acquired intangible assets will be approximately \$160 million in 2012 through 2014, approximately \$150 million in 2015 and approximately \$110 million in 2016.

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, generally five years. Gross software development costs capitalized for new products and enhancements to existing products totaled \$93 million, \$86 million and \$81 million in 2011, 2010 and 2009, respectively. Amortization of previously capitalized development costs was \$67 million, \$58 million and \$45 million in 2011, 2010 and 2009, 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 \$38 million, \$42 million and \$43 million in 2011, 2010 and 2009, respectively.

#### 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 evaluates goodwill for impairment on an annual basis, or more frequently if circumstances indicate possible impairment. In 2011, the Company early adopted guidance from the FASB related to the assessment of qualitative factors in evaluating goodwill for impairment. The adoption of this guidance did not impact the Company's consolidated financial statements. When reviewing goodwill for impairment, the Company first assesses numerous qualitative factors to determine whether it is more likely than not that the fair value of its reporting units are less than their respective carrying values. If it is concluded that it is more likely than not that the fair value of a reporting unit is less than its carrying value, then the Company performs a two step quantitative impairment test by comparing reporting unit carrying values to estimated fair values. No impairment was identified in the Company's annual impairment assessment in the fourth quarter of 2011. The changes in goodwill during 2011 and 2010 were as follows:

<u>(In millions)</u>	<u>Payments</u>	<u>Financial</u>	<u>Total</u>
Goodwill - December 31, 2009	\$ 3,108	\$ 1,263	\$ 4,371
Acquired goodwill	<u>6</u>	<u>-</u>	<u>6</u>
Goodwill - December 31, 2010	3,114	1,263	4,377
Acquired goodwill	<u>343</u>	<u>-</u>	<u>343</u>
Goodwill - December 31, 2011	<u>\$ 3,457</u>	<u>\$ 1,263</u>	<u>\$ 4,720</u>

#### Asset Impairment

The Company reviews property and equipment, intangible assets and its investment in unconsolidated affiliate for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The Company reviews capitalized software development costs for impairment at each balance

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

sheet date. Recoverability of property and equipment and intangible assets is assessed by comparing the carrying amount of the asset to the undiscounted future cash flows expected to be generated by the asset. The Company's investment in unconsolidated affiliate is assessed by comparing the carrying amount of the investment to its estimated fair value and is impaired if the decline in fair value is determined to be other than temporary. Measurement of any impairment loss is based on estimated fair value.

**Deferred Financing Costs**

Deferred financing costs related to the Company's long-term debt totaled \$35 million and \$36 million at December 31, 2011 and 2010, respectively. Accumulated amortization was \$16 million and \$18 million at December 31, 2011 and 2010, respectively. Deferred financing costs are reported in other long-term assets in the consolidated balance sheets and are amortized over the term of the underlying debt using the interest method.

**Accounts Payable and Accrued Expenses**

Accounts payable and accrued expenses consisted of the following at December 31:

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>
Trade accounts payable	\$ 96	\$ 92
Settlement obligations	195	119
Accrued compensation and benefits	157	126
Client deposits	114	63
Interest rate hedge contracts <sup>(1)</sup>	98	-
Other accrued expenses	176	137
<b>Total</b>	<b>\$ 836</b>	<b>\$ 537</b>

<sup>(1)</sup> The Company's interest rate hedge contracts described in Note 4 expire in September 2012. Accordingly, the fair value of such instruments is reported as a current liability at December 31, 2011. At December 31, 2010, a long-term liability of \$76 million was recorded related to the fair value of these instruments.

**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 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.

**Accumulated Other Comprehensive Loss**

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

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>
Fair market value adjustment on cash flow hedges	\$ (71)	\$ (51)
Foreign currency translation	(5)	3
Other	(2)	(2)
<b>Total</b>	<b>\$ (78)</b>	<b>\$ (50)</b>

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**Net Income Per Share**

Basic net income per share is computed using the weighted-average number of common shares outstanding during the year. Diluted net income per share is computed using the weighted-average number of common shares and common stock equivalents outstanding during the year. Common stock equivalents consist of stock options and restricted stock units and are computed using the treasury stock method. In 2011, 2010 and 2009, the Company excluded 0.9 million, 2.8 million and 2.9 million weighted-average shares, respectively, from the calculations of common stock equivalents for anti-dilutive stock options.

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

<u>(In millions)</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Weighted-average common shares outstanding used for the calculation of net income per share - basic	142.6	150.4	154.5
Common stock equivalents	1.6	1.3	0.9
Total shares used for the calculation of net income per share - diluted	<u>144.2</u>	<u>151.7</u>	<u>155.4</u>

**Supplemental Cash Flow Information**

<u>(In millions)</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Interest paid	\$ 183	\$ 182	\$ 211
Income taxes paid	195	209	242
Liabilities assumed in acquisitions of businesses	18	1	-
Notes received in sale of businesses	-	-	10
Treasury stock purchases settled the following year	9	9	4

**2. Acquisitions**

The Company completed four acquisitions in 2011 and one acquisition in 2010. The results of operations for all acquired businesses have been included in the accompanying consolidated statements of income from the dates of acquisition. Revenue from acquired companies totaled \$30 million in 2011. Pro forma information for the Company's acquisitions is not provided because they did not have a material effect on the Company's consolidated results of operations.

In September 2011, the Company acquired CashEdge Inc. ("CashEdge"), a leading provider of consumer and business payments solutions such as account-to-account transfer, account opening and funding, data aggregation, small business invoicing and payments, and person-to-person payments, for approximately \$460 million, net of cash acquired. The acquisition of CashEdge is expected to advance the Company's digital payments strategies. The purchase price allocation resulted in customer related intangible assets of \$54 million, software and technology of \$44 million, goodwill of approximately \$330 million, net deferred tax assets of \$26 million and other identifiable net assets of less than \$10 million. The goodwill recognized in this transaction is not expected to be deductible for tax purposes and is primarily attributed to anticipated revenue and earnings growth associated with the products and services that CashEdge provides and the anticipated value of selling CashEdge's products and services into the Company's existing client base.

In the first quarter of 2011, the Company acquired Mobile Commerce Ltd. ("M-Com"), an international mobile banking and payments provider, and two other companies for an aggregate purchase price of approximately

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

\$50 million, net of cash acquired. M-Com enhances the Company’s mobile and payments capabilities, and the other acquired companies add to or enhance specific products or services that the Company already provides. The purchase price allocations for these acquisitions resulted in technology and customer intangible assets totaling approximately \$40 million. The remaining purchase price was primarily allocated to goodwill.

**3. Investment in Unconsolidated Affiliate**

The Company owns a 49% interest in StoneRiver Group, L.P. (“StoneRiver”) and reports its share of StoneRiver’s net income as income from investment in unconsolidated affiliate. The Company’s investment in StoneRiver was \$119 million and \$156 million at December 31, 2011 and 2010, respectively, and was reported within other long-term assets in the consolidated balance sheets. In 2011 and 2010, the Company received cash dividends of \$54 million and \$61 million, respectively, from StoneRiver which were recorded as reductions in the Company’s investment in StoneRiver. A portion of the dividends, \$12 million in 2011 and \$40 million in 2010, represented a return on the Company’s investment and were reported in cash flows from operating activities. In 2010, in a non-cash transaction, the Company retired a \$59 million obligation owed to StoneRiver in exchange for the retirement of loans receivable due from StoneRiver totaling \$59 million. Also in 2010, the Company received loan repayments from StoneRiver totaling \$28 million.

**4. Long-Term Debt**

The Company’s long-term debt consisted of the following at December 31:

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>
Senior term loan	\$ 1,100	\$ 1,100
6.125% senior notes due 2012	-	999
3.125% senior notes due 2015	299	299
3.125% senior notes due 2016	599	-
6.8% senior notes due 2017	500	500
4.625% senior notes due 2020	449	449
4.75% senior notes due 2021	399	-
Other borrowings	49	9
<b>Total debt</b>	<b>3,395</b>	<b>3,356</b>
Less: current maturities	(179)	(3)
<b>Long-term debt</b>	<b>\$ 3,216</b>	<b>\$ 3,353</b>

The estimated fair value of total debt was \$3.5 billion at December 31, 2011 and 2010, respectively. The Company was in compliance with all financial debt covenants in 2011. Annual maturities of the Company’s total debt were as follows at December 31, 2011 (in millions):

**Years ending December 31,**

2012	\$ 179
2013	2
2014	968
2015	299
2016	599
Thereafter	1,348
<b>Total</b>	<b>\$ 3,395</b>

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

*Senior Term Loan*

The Company maintains an unsecured senior term loan facility with a syndicate of banks. Term loan borrowings under this facility bear interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate and mature in November 2012. The weighted-average variable interest rate on the term loan borrowings was 1.0% at December 31, 2011. The term loan facility contains various restrictions and covenants substantially similar to those contained in the revolving credit facility described below. At December 31, 2011, \$925 million of the Company's term loan borrowings were classified in the Company's consolidated balance sheet and this footnote as maturing in September 2014, the date that the Company's revolving credit facility expires, because the Company has the intent to refinance this debt on a long-term basis and could do so under its revolving credit facility.

*Senior Notes*

In June 2011, the Company issued \$1.0 billion of senior notes comprised of \$600 million of 3.125% senior notes due in June 2016 and \$400 million of 4.75% senior notes due in June 2021, which pay interest semi-annually on June 15 and December 15 of each year. In September 2010, the Company issued \$300 million of 3.125% senior notes due in October 2015 and \$450 million of 4.625% senior notes due in October 2020, which pay interest semi-annually on April 1 and October 1 of each year. The Company's 6.8% senior notes due in November 2017 pay interest at the stated rate on May 20 and November 20 of each year. The interest rates applicable to the senior 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.

In June 2011, the Company purchased \$700 million aggregate principal amount of its 6.125% senior notes due in November 2012 in a tender offer for \$754 million, and in July 2011, the Company redeemed the remaining \$300 million aggregate principal amount of these notes for \$322 million. In October 2010, the Company purchased \$250 million aggregate principal amount of its 6.125% senior notes due in November 2012 for \$276 million. The Company recorded pre-tax losses on early debt extinguishment for the premiums paid and other costs associated with these transactions of \$85 million in 2011 and \$26 million in 2010.

*Revolving Credit Facility*

The Company maintains a \$1.0 billion revolving credit facility with a syndicate of banks. Borrowings under this facility bear interest at a variable rate based on LIBOR plus a specified margin or the bank's base rate (2.3% at December 31, 2011). There are no significant commitment fees and no compensating balance requirements. The facility expires in September 2014. As of December 31, 2011, there were letters of credit totaling \$28 million and no borrowings outstanding under the facility. The revolving credit facility contains various restrictions and covenants that require the Company, among other things, to (i) limit its consolidated indebtedness to no more than three and one-half times consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments and (ii) maintain consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments of at least three times consolidated interest expense.

*Interest Rate Hedge Contracts*

The Company maintains interest rate swap agreements ("Swaps") with total notional values of \$1.0 billion at December 31, 2011 and 2010 to hedge against changes in interest rates and forward-starting interest rate swap



**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

agreements (“Forward-Starting Swaps”) with total notional values of \$550 million and \$200 million at December 31, 2011 and 2010, respectively, to hedge against changes in interest rates applicable to forecasted fixed rate borrowings. The Swaps and Forward-Starting Swaps expire in September 2012 and have been designated by the Company as cash flow hedges. The Swaps effectively fix the interest rates on floating rate term loan borrowings at a weighted-average rate of approximately 5.0%, prior to financing spreads and related fees. The Forward-Starting Swaps effectively fix the benchmark interest rate on forecasted five-year and ten-year borrowings at weighted-average rates of approximately 3.2% and 3.9%, respectively. The fair values of the Swaps and Forward-Starting Swaps totaled \$98 million at December 31, 2011 and were recorded in current liabilities and in accumulated other comprehensive loss, net of income taxes, in the consolidated balance sheet. At December 31, 2010, the fair values of the Swaps and Forward-Starting Swaps totaled \$65 million and were recorded as a \$76 million long-term liability and an \$11 million long-term asset, respectively. The components of other comprehensive income pertaining to interest rate hedge contracts are presented in the consolidated statements of comprehensive income. In 2011 and 2010, interest expense recognized due to hedge ineffectiveness was not significant, and no amounts were excluded from the assessments of hedge effectiveness. Based on the amounts recorded in accumulated other comprehensive loss at December 31, 2011, the Company estimates that it will recognize approximately \$35 million in interest expense during the next twelve months related to interest rate hedge contracts.

In connection with its issuance of senior notes in 2011, the Company entered into a series of treasury lock agreements (“Treasury Locks”), which were designated as cash flow hedges, with total notional values of \$600 million to hedge against changes in interest rates. Upon issuance of the senior notes, the Company paid \$6 million to settle the Treasury Locks. This payment was included in cash flows from operating activities, was recorded in accumulated other comprehensive loss, net of income taxes of \$2 million, and will be recognized as interest expense over the terms of the senior notes.

#### 5. Income Taxes

A reconciliation of the statutory federal income tax rate to the Company’s effective income tax rate for continuing operations is as follows:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Statutory federal income tax rate	35.0%	35.0%	35.0%
State income taxes, net of federal effect	2.2%	2.7%	2.9%
Other, net	(2.1%)	0.3%	(0.7%)
Effective income tax rate	<u>35.1%</u>	<u>38.0%</u>	<u>37.2%</u>

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**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

The income tax provision for continuing operations was as follows:

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Current:			
Federal	\$ 201	\$ 224	\$ 176
State	18	32	29
Foreign	8	8	4
	<u>227</u>	<u>264</u>	<u>209</u>
Deferred:			
Federal	21	32	57
State	5	2	7
Foreign	3	3	-
	<u>29</u>	<u>37</u>	<u>64</u>
Income tax provision	<u>\$ 256</u>	<u>\$ 301</u>	<u>\$ 273</u>

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

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>
Accrued expenses	\$ 42	\$ 36
Interest rate hedge contracts	48	38
Share-based compensation	37	34
Net operating loss and credit carry-forwards	75	26
Other	19	19
Total deferred tax assets	<u>221</u>	<u>153</u>
Software development costs	(91)	(80)
Intangible assets	(630)	(608)
Property and equipment	(49)	(26)
Other	(24)	(29)
Total deferred tax liabilities	<u>(794)</u>	<u>(743)</u>
Total	<u>\$ (573)</u>	<u>\$ (590)</u>

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

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>
Current assets	\$ 44	\$ 37
Noncurrent liabilities	(617)	(627)
Total	<u>\$ (573)</u>	<u>\$ (590)</u>

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**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

Unrecognized tax benefits were as follows:

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Unrecognized tax benefits - Beginning of year	\$ 41	\$ 47	\$ 77
Increases for tax positions taken during the current year	5	5	4
Increases for tax positions taken in prior years	2	1	1
Decreases for tax positions taken in prior years	(7)	(4)	-
Decreases for settlements	(5)	(2)	(34)
Lapse of the statute of limitations	(9)	(6)	(1)
Unrecognized tax benefits - End of year	<u>\$ 27</u>	<u>\$ 41</u>	<u>\$ 47</u>

At December 31, 2011, unrecognized tax benefits of \$20 million, net of federal and state benefits, would affect the effective income tax rate from continuing operations if recognized. In 2012, reductions to unrecognized tax benefits for decreases in tax positions taken in prior years, settlements and the lapse of statutes of limitations are estimated to total approximately \$3 million. The Company classifies interest and penalties related to income taxes as components of its income tax provision. The income tax provision from continuing operations included interest and penalties on unrecognized tax benefits of less than \$2 million in each of 2011, 2010 and 2009. Accrued interest and penalties related to unrecognized tax benefits totaled \$5 million and \$7 million at December 31, 2011 and 2010, respectively.

The Company's federal tax returns for 2006 through 2011 and tax returns in certain states and foreign jurisdictions for 2005 through 2011 remain subject to examination by taxing authorities. At December 31, 2011, the Company had federal net operating loss carry-forwards of \$157 million, which expire in 2014 through 2031, state net operating loss carry-forwards of \$212 million, which expire in 2012 through 2031, and foreign net operating loss carry-forwards of \$63 million, \$10 million of which expire in 2016 through 2031 and the remainder of which do not expire.

**6. Employee Stock and Savings Plans**

**Stock Plans**

The Company recognizes the fair value of share-based compensation expense for stock options, restricted stock units and shares received by employees under the Company's employee stock purchase plan 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 generally vest over a three year period beginning on the first anniversary of the grant. 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.

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

*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 was \$39 million, \$39 million and \$36 million in 2011, 2010 and 2009, respectively. The income tax benefits related to share-based compensation totaled \$14 million, \$13 million and \$12 million in 2011, 2010 and 2009, respectively. At December 31, 2011, the total remaining unrecognized compensation cost for unvested stock options and restricted stock units, net of estimated forfeitures, of \$54 million is expected to be recognized over a weighted-average period of 2.4 years.

The weighted-average estimated fair value of stock options granted during 2011, 2010 and 2009 was \$22.68, \$17.46 and \$12.76 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>2011</u>	<u>2010</u>	<u>2009</u>
Expected life (in years)	6.6	6.6	6.5
Average risk-free interest rate	2.9%	3.3%	2.3%
Expected volatility	31.0%	31.9%	33.7%
Expected dividend yield	0%	0%	0%

The Company determined the expected life of stock options using historical data adjusted for known factors that would alter historical exercise behavior. 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 weighted-average 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:

	<u>Shares</u> <u>(In thousands)</u>	<u>Weighted-</u> <u>Average</u> <u>Exercise</u> <u>Price</u>	<u>Weighted-</u> <u>Average</u> <u>Remaining</u> <u>Contractual</u> <u>Term</u> <u>(Years)</u>	<u>Aggregate</u> <u>Intrinsic</u> <u>Value</u> <u>(In millions)</u>
Stock options outstanding - December 31, 2010	6,582	\$ 43.57		
Granted	1,016	61.57		
Forfeited	(363)	50.16		
Exercised	<u>(1,341)</u>	<u>41.93</u>		
Stock options outstanding - December 31, 2011	<u>5,894</u>	<u>\$ 46.64</u>	<u>6.0</u>	<u>\$ 74</u>
Stock options exercisable - December 31, 2011	<u>3,929</u>	<u>\$ 44.32</u>	<u>4.8</u>	<u>\$ 57</u>

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**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

A summary of restricted stock unit activity is as follows:

	<b>Shares (In thousands)</b>	<b>Weighted- Average Grant Date Fair Value</b>
Restricted stock units - December 31, 2010	1,080	\$ 43.49
Granted	567	58.45
Forfeited	(183)	47.27
Vested	(294)	45.16
Restricted stock units - December 31, 2011	<u>1,170</u>	<u>\$ 49.56</u>

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

<b>(In millions)</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Total intrinsic value of stock options exercised	\$ 26	\$ 23	\$ 10
Cash received from stock option exercises	54	47	24
Gross income tax benefit from stock option exercises	10	9	4
Fair value of restricted stock units upon vesting	18	14	4

As of December 31, 2011, 3.9 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 0.5 million, 0.5 million and 0.6 million shares in 2011, 2010 and 2009, respectively. As of January 1, 2012, there were 2.3 million shares available for issuance under the employee stock purchase plan.

#### **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. Expenses for company contributions under these plans totaled \$38 million, \$29 million and \$37 million in 2011, 2010 and 2009, respectively.

#### **7. 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 at December 31, 2011 (in millions):

##### **Years Ending December 31,**

2012	\$ 92
2013	78
2014	57
2015	42
2016	29
Thereafter	<u>52</u>
Total	<u>\$350</u>

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

Rent expense for all operating leases was \$113 million, \$110 million and \$115 million during 2011, 2010 and 2009, respectively.

**Commitments and Contingencies**

*Litigation*

In the normal course of business, the Company and its subsidiaries are named as defendants in 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 Company's consolidated financial statements.

*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 recipients. These subscriber funds are 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 and debit card activity, and totaled approximately \$1.5 billion at December 31, 2011.

*Indemnifications and Warranties*

Subject to limitations and exclusions, the Company generally indemnifies its clients from certain costs resulting from claims of patent, copyright or trademark infringement associated with its clients' use of the Company's products or services. The Company may also warrant to clients that its products and services will operate substantially in accordance with identified specifications. From time to time, in connection with sales of businesses, the Company agrees to indemnify the buyers for liabilities associated with the businesses that are sold. Payments net of recoveries under such indemnification or warranty provisions were not material to the Company's results of operations or financial position.

**8. Business Segment Information**

The Company's operations are comprised of the Payments and Industry Products ("Payments") segment, the Financial Institution Services ("Financial") segment and the Corporate and Other segment. The Payments segment primarily provides electronic bill payment and presentment services, debit and other card-based payment products and services, Internet and mobile banking software and services, and other electronic payments software and services including account-to-account transfers and person-to-person payments. The businesses in this segment also provide investment account processing services for separately managed accounts, card and print personalization services, and fraud and risk management products and services. The Financial segment provides banks, thrifts and credit unions with account processing services, item processing and source capture services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Corporate and Other segment primarily consists of unallocated corporate expenses, amortization of acquisition-related intangible assets and intercompany eliminations.

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

<u>(In millions)</u>	<u>Payments</u>	<u>Financial</u>	<u>Corporate and Other</u>	<u>Total</u>
<b>2011</b>				
Processing and services revenue	\$ 1,736	\$ 1,820	\$ (13)	\$ 3,543
Product revenue	645	184	(35)	794
Total revenue	2,381	2,004	(48)	4,337
Operating income	656	613	(273)	996
Total assets	6,092	2,131	325	8,548
Capital expenditures	98	80	14	192
Depreciation and amortization expense	95	81	173	349
<b>2010</b>				
Processing and services revenue	\$ 1,637	\$ 1,778	\$ -	\$ 3,415
Product revenue	571	173	(26)	718
Total revenue	2,208	1,951	(26)	4,133
Operating income	625	591	(209)	1,007
Total assets	5,707	1,973	601	8,281
Capital expenditures	91	78	6	175
Depreciation and amortization expense	90	82	167	339
<b>2009</b>				
Processing and services revenue	\$ 1,579	\$ 1,747	\$ 3	\$ 3,329
Product revenue	581	195	(28)	748
Total revenue	2,160	1,942	(25)	4,077
Operating income	617	569	(240)	946
Total assets	5,762	2,145	471	8,378
Capital expenditures	103	89	6	198
Depreciation and amortization expense	87	86	160	333

Revenue to clients outside the United States comprised 7%, 6% and 5% of total revenue in 2011, 2010 and 2009, respectively.

#### **9. 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 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. In 2011, several of the Company's subsidiaries, which were not previously guarantor subsidiaries, were merged with and into guarantor subsidiaries. The following condensed consolidating financial information reflects this reorganization for all periods presented.

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**CONDENSED CONSOLIDATING STATEMENT OF INCOME**  
**YEAR ENDED DECEMBER 31, 2011**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non-Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Revenue:</b>					
Processing and services	\$ -	\$ 2,582	\$ 1,094	\$ (133)	\$ 3,543
Product	-	709	147	(62)	794
Total revenue	-	3,291	1,241	(195)	4,337
<b>Expenses:</b>					
Cost of processing and services	-	1,427	647	(133)	1,941
Cost of product	-	572	91	(62)	601
Selling, general and administrative	95	494	210	-	799
Total expenses	95	2,493	948	(195)	3,341
Operating income (loss)	(95)	798	293	-	996
Interest expense, net	(140)	(33)	(9)	-	(182)
Loss on early debt extinguishment	(85)	-	-	-	(85)
<b>Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate</b>					
	(320)	765	284	-	729
Income tax (provision) benefit	133	(284)	(105)	-	(256)
Income from investment in unconsolidated affiliate	-	18	-	-	18
Equity in earnings of consolidated affiliates	678	-	-	(678)	-
Income from continuing operations	491	499	179	(678)	491
Income (loss) from discontinued operations, net of income taxes	(19)	-	3	(3)	(19)
Net income	\$ 472	\$ 499	\$ 182	\$ (681)	\$ 472

**CONDENSED CONSOLIDATING STATEMENT OF INCOME**  
**YEAR ENDED DECEMBER 31, 2010**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non- Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Revenue:</b>					
Processing and services	\$ -	\$ 2,522	\$ 990	\$ (97)	\$ 3,415
Product	-	617	136	(35)	718
Total revenue	-	3,139	1,126	(132)	4,133
<b>Expenses:</b>					
Cost of processing and services	9	1,369	574	(99)	1,853
Cost of product	1	473	92	(33)	533
Selling, general and administrative	99	450	191	-	740
Total expenses	109	2,292	857	(132)	3,126
Operating income (loss)	(109)	847	269	-	1,007
Interest expense, net	(78)	(100)	(10)	-	(188)
Loss on early debt extinguishment	(26)	-	-	-	(26)
<b>Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate</b>					
	(213)	747	259	-	793
Income tax (provision) benefit	78	(281)	(98)	-	(301)
Income from investment in unconsolidated affiliate	-	14	-	-	14
Equity in earnings of consolidated affiliates	641	-	-	(641)	-
Income from continuing operations	506	480	161	(641)	506
Loss from discontinued operations, net of income taxes	(10)	-	(1)	1	(10)
Net income	\$ 496	\$ 480	\$ 160	\$ (640)	\$ 496



**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**CONDENSED CONSOLIDATING STATEMENT OF INCOME**  
**YEAR ENDED DECEMBER 31, 2009**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non-Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Revenue:</b>					
Processing and services	\$ -	\$ 2,389	\$ 1,018	\$ (78)	\$ 3,329
Product	-	638	139	(29)	748
Total revenue	-	3,027	1,157	(107)	4,077
<b>Expenses:</b>					
Cost of processing and services	2	1,299	621	(78)	1,844
Cost of product	1	473	88	(26)	536
Selling, general and administrative	100	434	217	-	751
Total expenses	103	2,206	926	(104)	3,131
Operating income (loss)	(103)	821	231	(3)	946
Interest (expense) income, net	46	(252)	(6)	-	(212)
<b>Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate</b>					
	(57)	569	225	(3)	734
Income tax (provision) benefit	28	(217)	(85)	1	(273)
Income from investment in unconsolidated affiliate	-	12	-	-	12
Equity in earnings of consolidated affiliates	502	-	-	(502)	-
Income from continuing operations	473	364	140	(504)	473
Income (loss) from discontinued operations, net of income taxes	3	(15)	18	(3)	3
Net income	\$ 476	\$ 349	\$ 158	\$ (507)	\$ 476

**CONDENSED CONSOLIDATING BALANCE SHEET**  
**DECEMBER 31, 2011**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non- Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 73	\$ 71	\$ 193	\$ -	\$ 337
Trade accounts receivable, net	-	402	264	-	666
Prepaid expenses and other current assets	25	167	161	-	353
Total current assets	98	640	618	-	1,356
Investments in consolidated affiliates	7,864	-	-	(7,864)	-
Goodwill and intangible assets, net	15	5,306	1,280	-	6,601
Other long-term assets	28	452	111	-	591
Total assets	\$ 8,005	\$ 6,398	\$ 2,009	\$ (7,864)	\$ 8,548
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Total current liabilities	\$ 397	\$ 616	\$ 371	\$ -	\$ 1,384
Long-term debt	3,171	2	43	-	3,216
Due to (from) consolidated affiliates	524	(344)	(180)	-	-
Other long-term liabilities	655	12	23	-	690
Total liabilities	4,747	286	257	-	5,290
Total shareholders' equity	3,258	6,112	1,752	(7,864)	3,258
Total liabilities and shareholders' equity	\$ 8,005	\$ 6,398	\$ 2,009	\$ (7,864)	\$ 8,548

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**CONDENSED CONSOLIDATING BALANCE SHEET**  
**DECEMBER 31, 2010**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non-Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 343	\$ 68	\$ 152	\$ -	\$ 563
Trade accounts receivable, net	(2)	376	198	-	572
Prepaid expenses and other current assets	40	131	111	-	282
Total current assets	<u>381</u>	<u>575</u>	<u>461</u>	<u>-</u>	<u>1,417</u>
Investments in consolidated affiliates	7,387	-	-	(7,387)	-
Goodwill and intangible assets, net	7	5,405	844	-	6,256
Other long-term assets	38	476	94	-	608
Total assets	<u>\$ 7,813</u>	<u>\$ 6,456</u>	<u>\$ 1,399</u>	<u>\$ (7,387)</u>	<u>\$ 8,281</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Total current liabilities	\$ 87	\$ 492	\$ 312	\$ -	\$ 891
Long-term debt	3,347	6	-	-	3,353
Due to (from) consolidated affiliates	396	(202)	(194)	-	-
Other long-term liabilities	754	39	15	-	808
Total liabilities	<u>4,584</u>	<u>335</u>	<u>133</u>	<u>-</u>	<u>5,052</u>
Total shareholders' equity	3,229	6,121	1,266	(7,387)	3,229
Total liabilities and shareholders' equity	<u>\$ 7,813</u>	<u>\$ 6,456</u>	<u>\$ 1,399</u>	<u>\$ (7,387)</u>	<u>\$ 8,281</u>

**CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2011**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non- Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Cash flows from operating activities:</b>					
Net cash provided by (used in) operating activities from continuing operations	\$ (10)	\$ 737	\$ 226	\$ -	\$ 953
<b>Cash flows from investing activities:</b>					
Capital expenditures, including capitalization of software costs	(13)	(144)	(35)	-	(192)
Payments for acquisitions of businesses, net of cash acquired	-	(473)	(38)	-	(511)
Other investing activities	311	45	(7)	(311)	38
Net cash (used in) provided by investing activities from continuing operations	<u>298</u>	<u>(572)</u>	<u>(80)</u>	<u>(311)</u>	<u>(665)</u>
<b>Cash flows from financing activities:</b>					
(Repayments of) proceeds from long-term debt, net	(80)	(3)	46	-	(37)
Purchases of treasury stock	(533)	-	-	-	(533)
Other financing activities	71	(159)	(151)	311	72
Net cash used in financing activities from continuing operations	<u>(542)</u>	<u>(162)</u>	<u>(105)</u>	<u>311</u>	<u>(498)</u>
Net change in cash and cash equivalents from continuing operations	(254)	3	41	-	(210)
Net cash flows from discontinued operations	(16)	-	-	-	(16)
Beginning balance	343	68	152	-	563
Ending balance	<u>\$ 73</u>	<u>\$ 71</u>	<u>\$ 193</u>	<u>\$ -</u>	<u>\$ 337</u>

**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2010**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non-Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Cash flows from operating activities:</b>					
Net cash provided by (used in) operating activities from continuing operations	\$ (4)	\$ 749	\$ 213	\$ -	\$ 958
<b>Cash flows from investing activities:</b>					
Capital expenditures, including capitalization of software costs	(6)	(135)	(34)	-	(175)
Other investing activities	939	22	24	(926)	59
Net cash (used in) provided by investing activities from continuing operations	933	(113)	(10)	(926)	(116)
<b>Cash flows from financing activities:</b>					
Repayments of long-term debt, net	(308)	(4)	-	-	(312)
Purchases of treasury stock	(413)	-	-	-	(413)
Other financing activities	51	(734)	(189)	926	54
Net cash used in financing activities from continuing operations	(670)	(738)	(189)	926	(671)
Net change in cash and cash equivalents from continuing operations	259	(102)	14	-	171
Net cash flows from discontinued operations	29	-	-	-	29
Beginning balance	55	170	138	-	363
Ending balance	\$ 343	\$ 68	\$ 152	\$ -	\$ 563

**CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2009**

<b>(In millions)</b>	<b>Parent Company</b>	<b>Guarantor Subsidiaries</b>	<b>Non- Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Cash flows from operating activities:</b>					
Net cash provided by operating activities from continuing operations	\$ 44	\$ 552	\$ 258	\$ (4)	\$ 850
<b>Cash flows from investing activities:</b>					
Capital expenditures, including capitalization of software costs	(3)	(155)	(41)	1	(198)
Other investing activities	(58)	(331)	(172)	511	(50)
Net cash used in investing activities from continuing operations	(61)	(486)	(213)	512	(248)
<b>Cash flows from financing activities:</b>					
Repayments of long-term debt, net	(471)	-	(4)	-	(475)
Purchases of treasury stock	(175)	-	-	-	(175)
Other financing activities	554	-	3	(508)	49
Net cash used in financing activities from continuing operations	(92)	-	(1)	(508)	(601)
Net change in cash and cash equivalents from continuing operations	(109)	66	44	-	1
Net cash flows from discontinued operations	132	-	-	-	132
Beginning balance	32	104	94	-	230
Ending balance	\$ 55	\$ 170	\$ 138	\$ -	\$ 363

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**Notes to Consolidated Financial Statements – Continued**  
**Years ended December 31, 2011, 2010 and 2009**

**10. Quarterly Financial Data (unaudited)**

Quarterly financial data for 2011 and 2010 was as follows:

**(In millions, except per share data)**

	<b>First Quarter</b>	<b>Second Quarter</b>	<b>Third Quarter</b>	<b>Fourth Quarter</b>	<b>Full Year</b>
<b>2011</b>					
Total revenue	\$ 1,048	\$ 1,065	\$ 1,063	\$ 1,161	\$ 4,337
Cost of processing and services	474	479	490	498	1,941
Cost of product	150	145	141	165	601
Selling, general and administrative expenses	203	190	189	217	799
Total expenses	827	814	820	880	3,341
Operating income	221	251	243	281	996
Loss on early debt extinguishment	-	61	24	-	85
Income from continuing operations	114	97	127	153	491
Net income	112	90	127	143	472
Net income per share - continuing operations:					
Basic	\$ 0.78	\$ 0.68	\$ 0.90	\$ 1.09	\$ 3.44
Diluted	\$ 0.77	\$ 0.67	\$ 0.89	\$ 1.07	\$ 3.40
<b>2010</b>					
Total revenue	\$ 1,008	\$ 1,022	\$ 1,025	\$ 1,078	\$ 4,133
Cost of processing and services	462	457	461	473	1,853
Cost of product	136	129	128	140	533
Selling, general and administrative expenses	172	185	185	198	740
Total expenses	770	771	774	811	3,126
Operating income	238	251	251	267	1,007
Loss on early debt extinguishment	-	-	-	26	26
Income from continuing operations	123	130	134	119	506
Net income	121	127	132	116	496
Net income per share - continuing operations:					
Basic	\$ 0.81	\$ 0.86	\$ 0.90	\$ 0.81	\$ 3.37
Diluted	\$ 0.80	\$ 0.85	\$ 0.89	\$ 0.80	\$ 3.34

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**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, 2011 and 2010, and the related consolidated statements of income, comprehensive income, shareholders’ equity, and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the financial statements 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, 2011 and 2010, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the consolidated financial statements, the Company has changed its method of presenting comprehensive income in 2011 due to the adoption of FASB Accounting Standards Update No. 2011-05, *Presentation of Comprehensive Income*. The change in presentation has been applied retrospectively to all periods presented.

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, 2011, 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 24, 2012 expressed an unqualified opinion on the Company’s internal control over financial reporting.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin  
February 24, 2012

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**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, 2011.

*(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, 2011. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control – Integrated Framework*. Based on management’s assessment, our management believes that, as of December 31, 2011, 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 changes in internal control over financial reporting that occurred during the quarter ended December 31, 2011 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.

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**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, 2011, 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 dispositions 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, 2011, 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 as of and for the year ended December 31, 2011 of the Company and our report dated February 24, 2012 expressed an unqualified opinion on those financial statements and includes an explanatory paragraph related to the Company changing its method of presenting comprehensive income in 2011 due to the adoption of FASB Accounting Standards Update No. 2011-05, *Presentation of Comprehensive Income*, which has been applied retrospectively to all periods presented.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin  
February 24, 2012

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**Item 9B. Other Information**

On February 22, 2012, our board of directors approved amendments to our amended and restated by-laws to remove the supermajority voting provisions contained in the by-laws. The by-laws now require the approval of a majority of the votes cast on a proposal to remove a director of the company from office for cause, to fill the vacancy created by the removal of a director of the company from office for cause, and to alter, amend or repeal the by-laws by shareholder action. A copy of the amendments are filed as Exhibit 3.2 hereto and incorporated herein by reference. Our amended and restated by-laws, which reflect the foregoing amendments, are filed as Exhibit 3.3 hereto and incorporated herein by reference.

**PART III**

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

Except for information concerning our executive officers included in Part I of this Form 10-K under the caption “Executive Officers of the Registrant,” 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 2012 Annual Meeting,” “Audit Committee – Membership and Responsibilities,” and “Section 16(a) Beneficial Ownership Reporting Compliance” in our definitive proxy statement for our 2012 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, 2011.

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 “About Fiserv - Investors - Corporate Governance” section of our website at [www.fiserv.com](http://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 “About Fiserv - Investors - Corporate Governance” section of our website at [www.fiserv.com](http://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,” “Compensation of Executive Officers,” “Summary Compensation Table,” “Grants of Plan-Based Awards in 2011,” “Outstanding Equity Awards at December 31, 2011,” “Option Exercises and Stock Vested During 2011,” “Potential Payments Upon Termination or Change in Control,” and “Compensation of Directors” in our definitive proxy statement for our 2012 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, 2011.

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

The information set forth under the caption “Security Ownership by Certain Beneficial Owners and Management” in our definitive proxy statement for our 2012 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, 2011, is incorporated by reference herein.



**Equity Compensation Plan Information**

The table below sets forth information with respect to compensation plans under which equity securities are authorized for issuance as of December 31, 2011.

	(a)	(b)	(c)
<b>Plan Category</b>	<b>Number of shares to be issued upon exercise of outstanding options</b>	<b>Weighted-average exercise price of outstanding options</b>	<b>Number of shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by our shareholders <sup>(1)</sup>	5,893,885 <sup>(2)</sup>	\$46.64	3,935,415 <sup>(3)</sup>
Equity compensation plans not approved by our shareholders	N/A	N/A	N/A
<b>Total</b>	<b>5,893,885</b>	<b>\$46.64</b>	<b>3,935,415</b>

- (1) Columns (a) and (c) of the table above do not include 1,170,039 unvested restricted stock units outstanding under the Fiserv, Inc. 2007 Omnibus Incentive Plan or the Fiserv, Inc. Stock Option and Restricted Stock Plan or 1,264,344 shares authorized for issuance under the Fiserv, Inc. Amended and Restated Employee Stock Purchase Plan. The number of shares remaining available for future issuance under the employee stock purchase plan is subject to an annual increase on the first day of each fiscal year equal to the lesser of (A) 1,000,000 shares, (B) 1% of the shares of our common stock outstanding on such date or (C) a lesser amount determined by our board of directors.
- (2) Consists of options outstanding under the Fiserv, Inc. 2007 Omnibus Incentive Plan and the Fiserv, Inc. Stock Option and Restricted Stock Plan.
- (3) Reflects number of shares available for future issuance under the Fiserv, Inc. 2007 Omnibus Incentive Plan. No additional awards may be granted under the Fiserv, Inc. Stock Option and Restricted Stock Plan.

**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,” “Corporate Governance – Review, Approval or Ratification of Transactions with Related Persons,” and “Corporate Governance – Certain Relationships and Related Transactions” in our definitive proxy statement for our 2012 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, 2011.

**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 2012 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, 2011.

**PART IV**

**Item 15. Exhibits, Financial Statement Schedules**

*Financial Statement Schedules*

Financial statement schedules have been omitted because they are not applicable or the required information is shown in the consolidated financial statements or accompanying notes.

*Exhibits*

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

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**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on February 24, 2012.

FISERV, INC.

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

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 24, 2012.

<u>Name</u>	<u>Capacity</u>
<u>/s/ Donald F. Dillon</u> Donald F. Dillon	Chairman of the Board
<u>/s/ Jeffery W. Yabuki</u> Jeffery W. Yabuki	Director, President and Chief Executive Officer (Principal Executive Officer)
<u>/s/ Thomas J. Hirsch</u> Thomas J. Hirsch	Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer)
<u>/s/ Daniel P. Kearney</u> Daniel P. Kearney	Director
<u>/s/ Peter J. Kight</u> Peter J. Kight	Director
<u>/s/ Denis J. O'Leary</u> Denis J. O'Leary	Director
<u>/s/ Glenn M. Renwick</u> Glenn M. Renwick	Director
<u>/s/ Kim M. Robak</u> Kim M. Robak	Director
<u>/s/ Doyle R. Simons</u> Doyle R. Simons	Director
<u>/s/ Thomas C. Wertheimer</u> Thomas C. Wertheimer	Director

EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Exhibit Description</b>
3.1	Restated Articles of Incorporation (1)
3.2	Amendments to Amended and Restated By-laws
3.3	Amended and Restated By-laws
4.1	Credit Agreement, dated as of September 29, 2010, among Fiserv, Inc. and the financial institutions parties thereto (2)
4.2	Loan Agreement, dated as of November 9, 2007, among Fiserv, Inc. and the financial institutions parties thereto (3)
4.3	Indenture, dated as of November 20, 2007, by and among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (4)
4.4	Second Supplemental Indenture, dated as of November 20, 2007, among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (5)
4.5	Fifth Supplemental Indenture, dated as of September 21, 2010, among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (6)
4.6	Sixth Supplemental Indenture, dated as of September 21, 2010, among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (6)
4.7	Seventh Supplemental Indenture, dated as of June 14, 2011, among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (7)
4.8	Eighth Supplemental Indenture, dated as of June 14, 2011, among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (7)
	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 (8)*
10.2	Amendment to Fiserv, Inc. Stock Option and Restricted Stock Plan (9)*
10.3	Fiserv, Inc. 2007 Omnibus Incentive Plan (1)*
	Fiserv, Inc. Stock Option and Restricted Stock Plan Forms of Award Agreements
10.4	– Form of Amendment to Stock Option Agreement (9)*
10.5	– Form of Director Restricted Stock Agreement (10)*
10.6	– Form of Non-Qualified Stock Option Agreement for Outside Directors (10)*
10.7	– Form of Employee Non-Qualified Stock Option Agreement for Employee Directors (10)*
10.8	– Form of Employee Non-Qualified Stock Option Agreement for Senior Management (11)*
	Fiserv, Inc. 2007 Omnibus Incentive Plan Forms of Award Agreements
10.9	– Form of Restricted Stock Agreement (Non-Employee Director) (1)*
10.10	– Form of Restricted Stock Agreement (Employee) (1)*
10.11	– Form of Restricted Stock Unit Agreement (Non-Employee Director)*
10.12	– Form of Restricted Stock Unit Agreement (Employee)*

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<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.13	– Form of Non-Qualified Stock Option Agreement (Non-Employee Director)*
10.14	– Form of Stock Option Agreement (Employee)*
10.15	– Form of Non-Qualified Stock Option Agreement (Special Equity Award 2008) (12)*
10.16	Amended and Restated Employment Agreement, dated December 22, 2008, between Fiserv, Inc. and Jeffery W. Yabuki (13)*
10.17	Amendment No. 1 to Amended and Restated Employment Agreement, dated February 26, 2009, between Fiserv, Inc. and Jeffery W. Yabuki (14)*
10.18	Amendment No. 2 to Amended and Restated Employment Agreement, dated December 30, 2009, between Fiserv, Inc. and Jeffery W. Yabuki (15)*
10.19	Amended and Restated Key Executive Employment and Severance Agreement, dated December 22, 2008, between Fiserv, Inc. and Jeffery W. Yabuki (13)*
10.20	Employee Non-Qualified Stock Option Agreement, dated December 1, 2005, between Fiserv, Inc. and Jeffery W. Yabuki (16)*
10.21	Employee Non-Qualified Stock Option Agreement, dated December 1, 2005, between Fiserv, Inc. and Jeffery W. Yabuki (16)*
10.22	Form of Amended and Restated Key Executive Employment and Severance Agreement, between Fiserv, Inc. and each of James Cox, Rahul Gupta, Mark Ernst, Thomas Hirsch, Charles Sprague, Steven Tait and Thomas Warsop (13)*
10.23	Amended and Restated Employment Agreement, dated December 22, 2008, between Fiserv, Inc. and Thomas Warsop (13)*
10.24	Employment Agreement, dated January 3, 2011, between Fiserv, Inc. and Mark A. Ernst (17)*
10.25	Employment Agreement, dated December 22, 2008, between Fiserv, Inc. and Rahul Gupta*
10.26	Employment Agreement, dated October 27, 2009, between Fiserv, Inc. and Steven Tait (18)*
10.27	Amendment No. 1 to Employment Agreement, dated December 11, 2009, between Fiserv, Inc. and Steven Tait (18)*
10.28	Retention Agreement, dated July 27, 2007, between CheckFree Corporation and Michael P. Gianoni (18)*
10.29	Amendment to Retention Agreement, dated August 2, 2007, between CheckFree Corporation and Michael P. Gianoni (18)*
10.30	Second Amendment to Retention Agreement, dated December 22, 2008, between CheckFree Corporation and Michael P. Gianoni (18)*
10.31	Form of Non-Employee Director Indemnity Agreement (12)
10.32	Fiserv, Inc. Non-Employee Director Deferred Compensation Plan (12)*
10.33	Non-Employee Director Compensation Schedule (18)*
10.34	Agreement with Peter J. Kight, dated March 31, 2010 (19)*
21.1	Subsidiaries of Fiserv, Inc.
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

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<b>Exhibit Number</b>	<b>Exhibit Description</b>
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
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document

\* This exhibit is a management contract or compensatory plan or arrangement.

\*\* Filed with this Annual Report on Form 10-K are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Income for the years ended December 31, 2011, 2010 and 2009, (ii) the Consolidated Statements of Comprehensive Income for the years ended December 31, 2011, 2010 and 2009, (iii) the Consolidated Balance Sheets at December 31, 2011 and 2010, (iv) the Consolidated Statements of Shareholders' Equity for the years ended December 31, 2011, 2010 and 2009, (v) the Consolidated Statements of Cash Flows for the years ended December 31, 2011, 2010 and 2009, and (vi) Notes to Consolidated Financial Statements.

- (1) 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.
- (2) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on October 4, 2010, and incorporated herein by reference.
- (3) 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.
- (4) 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.
- (5) 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.
- (6) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on September 21, 2010, and incorporated herein by reference.
- (7) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on June 14, 2011, and incorporated herein by reference.
- (8) Previously filed as an exhibit to the Company's Proxy Statement on Schedule 14A filed on February 25, 2005, and incorporated herein by reference.
- (9) 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.

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- (10) 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.
- (11) 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.
- (12) 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.
- (13) 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.
- (14) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 27, 2009, and incorporated herein by reference.
- (15) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on December 30, 2009, and incorporated herein by reference.
- (16) 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.
- (17) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on May 27, 2011, and incorporated herein by reference.
- (18) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 26, 2010 and incorporated herein by reference.
- (19) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on May 6, 2010, and incorporated herein by reference.

**Amendments to the By-laws of Fiserv, Inc.**

Section 4 of Article III of the By-Laws of Fiserv, Inc. shall be amended to read in its entirety as follows:

Section 4. Tenure and Qualifications. Each Director shall hold office until the next annual meeting of shareholders in the year in which such Director's term expires and until his successor shall have been elected, or until his prior death, resignation or removal for cause only. A Director may be removed from office for cause only by the shareholders at an annual meeting or a special meeting of shareholders called for that purpose if the number of votes cast to remove such Director exceeds the number of votes cast not to remove such Director, and any vacancy so created may be filled by the shareholders by the affirmative vote of a majority of the votes cast with respect to filling such vacancy. Directors need not be residents of the State of Wisconsin or shareholders of the Corporation.

Article VIII of the By-Laws of Fiserv, Inc. shall be amended to read in its entirety as follows:

These By-Laws of the Corporation may be altered, amended or repealed (a) by the Board of Directors at any regular or special meeting of the Board of Directors or (b) by the shareholders at a meeting of shareholders or by a consent in writing in the manner contemplated in Section 11 of Article II if the votes cast favoring the proposed alteration, amendment or repeal exceed the votes cast opposing the proposed alteration, amendment or repeal, provided, however, that notice of the proposed alteration, amendment or repeal is contained in the notice of such meeting. By-Laws, whether made or altered by the shareholders or by the Board of Directors, shall be subject to alteration or repeal by the shareholders as in this Article VIII.



**BY-LAWS**  
**OF**  
**FISERV, INC.**  
**Incorporated under the Laws of the**  
**State of Wisconsin**

Adopted as of December 31, 1992; Amended and Restated as of March 25, 1999; Amended as of February 16, 2000; Amended on September 17, 2003; Amended and Restated as of February 18, 2004; Amended and Restated as of May 23, 2007; Amended and Restated as of August 14, 2007; Amended and Restated as of November 28, 2008; Amended and Restated as of February 22, 2012.

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**BY-LAWS**  
**OF**  
**FISERV, INC.**  
**ARTICLE I**  
**OFFICES**

The registered office of the Corporation in the State of Wisconsin shall be located in the City of Brookfield, County of Waukesha. The Corporation may establish or discontinue, from time to time, such other offices within or without the State of Wisconsin as may be deemed proper for the conduct of the Corporation's business.

**ARTICLE II**  
**MEETINGS OF SHAREHOLDERS**

Section 1. Place of Meetings. All meetings of shareholders shall be held at such place or places, within or without the State of Wisconsin, as may from time to time be fixed by the Board of Directors, the Chairman of the Board or the President, or as shall be specified in the respective notices, or waivers of notice, thereof. Any meeting may be postponed or adjourned pursuant to Section 8 of this Article II to reconvene at any place designated by vote of the Board of Directors or by the Chairman of the Board or the President.

Section 2. Annual Meeting. The annual meeting of shareholders (the "Annual Meeting") shall be held on such date and at such time as may be fixed by the Board of Directors, the Chairman of the Board or the President. In fixing a meeting date for any Annual Meeting, the Board of Directors, the Chairman of the Board or the President may consider such factors as it, he or she deems relevant within the good faith exercise of its, his or her business judgment. At each Annual Meeting, the shareholders shall elect individuals to the Board of Directors in accordance with the Articles of Incorporation and By-Laws of the Corporation. At any such Annual Meeting, only other business properly brought before the Annual Meeting by the Board of Directors or in accordance with Section 5 of this Article II may be transacted.

Section 3. Special Meetings.

(a) A special meeting of the shareholders (a "Special Meeting") may be called only by (i) a majority of the Board of Directors, (ii) the Chairman of the Board or (iii) the President. The Board of Directors, the Chairman of the Board or the President shall call a Special Meeting upon the demand, in accordance with this Section 3, of the holders of record representing at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the Special Meeting (a "Demand Special Meeting").

(b) To enable the Corporation to determine the shareholders entitled to demand a Demand Special Meeting, the Board of Directors may fix a record date to determine the shareholders entitled to make such a demand (the "Demand Record Date"). The Demand Record Date shall not precede the date on which the Board of Directors adopts the resolution fixing the Demand Record Date and shall not be more than ten days after the date on which the resolution fixing the Demand Record Date is adopted by the Board of Directors. Any shareholder of record entitled to demand a Demand Special Meeting who is seeking to have shareholders demand a Demand Special Meeting shall, by sending written notice to the Secretary at the principal offices of the Corporation, by hand or by certified or registered mail, return receipt requested, request the Board of Directors to fix a Demand Record Date. The Board of Directors shall promptly, but in all events within ten days after the date on which a valid request to fix a Demand Record Date is received and verified, adopt a resolution fixing the Demand Record Date and shall make a public announcement of such Demand Record Date. If no Demand Record Date has been fixed by the Board of Directors within ten days after the date on which such request is received and verified by the Secretary at the principal offices of the Corporation, then the Demand Record Date shall be the tenth day after the first date on which a valid written request to set a Demand Record Date is received and verified by the Secretary at the principal offices of the Corporation. To be valid, such written request shall set forth the purpose or purposes for which the Demand Special Meeting is to be held, shall be signed by one or more shareholders of record and by the beneficial owner or owners, if any, on whose behalf the request is made, shall bear the date of signature of each such shareholder and any such beneficial owner and shall set forth all information, including about each such shareholder and any such beneficial owner, that would be required to be set forth in a shareholder's notice described in Section 5(a)(ii) of this Article II as if the notice related to an Annual Meeting.

(c) For a shareholder or shareholders to demand a Demand Special Meeting, a written demand or demands for a Demand Special Meeting by the holders of record as of the Demand Record Date of shares representing at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the Demand Special Meeting, calculated as if the Demand Record Date were the record date for the Demand Special Meeting, must be delivered to the Secretary at the principal offices of the Corporation. To be valid, each written demand by a shareholder for a Demand Special Meeting (i) shall set forth the specific purpose or purposes for which the Demand Special Meeting is to be held (which purpose or purposes shall be limited to the purpose or purposes set forth in the written request to set a Demand Record Date received by the Corporation pursuant to the foregoing Section 3(b)), (ii) shall be signed by one or more Persons who as of the Demand Record Date are shareholders of record of at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the Demand Special Meeting and by the beneficial owners, if any, on whose behalf the demand is made, (iii) shall bear the date of signature of each such shareholder and any such beneficial owner, (iv) shall set forth the name and address of each such shareholder (as they appear in the Corporation's books)

and any such beneficial owner signing such demand and the Share Information (as defined in Section 5(a)(ii) of this Article II) for each such shareholder and any such beneficial owner, (v) shall be sent to the Secretary at the principal offices of the Corporation, by hand or by certified or registered mail, return receipt requested, and (vi) shall be received by the Secretary at the principal offices of the Corporation within seventy days after the Demand Record Date.

(d) The Board of Directors, the Chairman of the Board and the President shall not be required to call a Demand Special Meeting unless, in addition to the documents required by the foregoing Section 3(c), the Secretary receives a written agreement, which may require furnishing of a bond, signed by each Soliciting Shareholder (as defined below) pursuant to which each Soliciting Shareholder, jointly and severally, agrees to pay the Corporation's costs of holding the Demand Special Meeting, including the costs of preparing and mailing proxy materials for the Corporation's own solicitation, provided that if each of the resolutions introduced by any Soliciting Shareholder at such meeting is adopted, and each of the individuals nominated by or on behalf of any Soliciting Shareholder for election as a director at such meeting is elected, then the Soliciting Shareholders shall not be required to pay such costs. For purposes of these By-Laws, the following terms shall have the respective meanings set forth below:

(i) "Affiliate" of any Person (as defined herein) shall mean any Person controlling, controlled by or under common control with such first Person.

(ii) "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of Wisconsin are authorized or obligated by law or executive order to close.

(iii) "Participant" shall have the meaning assigned to such term in Rule 14a-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

(iv) "Person" shall mean any individual, firm, corporation, partnership, joint venture, association, trust, unincorporated organization or other entity.

(v) "Proxy" shall have the meaning assigned to such term in Rule 14a-1 promulgated under the Exchange Act.

(vi) "Solicitation" shall have the meaning assigned to such term in Rule 14a-1 promulgated under the Exchange Act.

(vii) "Soliciting Shareholder" shall mean, with respect to any Demand Special Meeting, each of the following Persons:

(A) if the number of shareholders signing the demand or demands of meeting delivered to the Secretary at the principal offices of the Corporation pursuant to the foregoing Section 3(c) is ten or fewer, each Person signing any such demand; or

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(B) if the number of shareholders signing the demand or demands of meeting delivered to the Corporation pursuant to the foregoing Section 3(c) is more than ten, each Person who either (I) was a Participant in any Solicitation of such demand or demands or (II) at the time of the delivery to the Secretary at the principal offices of the Corporation of the documents described in the foregoing Section 3(c) had engaged or intends to engage in any Solicitation of Proxies for use at such Demand Special Meeting (other than a Solicitation of Proxies on behalf of the Corporation).

A “Soliciting Shareholder” shall also mean each Affiliate of a Soliciting Shareholder described in clause (A) or (B) above who is a member of such Soliciting Shareholder’s “group” for purposes of Rule 13d-5(b) under the Exchange Act, and any other Affiliate of such a Soliciting Shareholder, if a majority of the directors then in office determines, reasonably and in good faith, that such Affiliate should be required to sign the written notice described in the foregoing Section 3(c) and/or the written agreement described in this Section 3(d) to prevent the purposes of this Section 3 from being evaded.

(e) Except as provided in the following sentence, any Special Meeting shall be held at such date and time as may be designated by whichever of the Board of Directors, the Chairman of the Board or the President shall have called such meeting. In the case of any Demand Special Meeting, such meeting shall be held at such date and time as may be designated by whichever of the Board of Directors, the Chairman of the Board or the President shall have called such meeting upon a demand in accordance with this Section 3; provided, however, that the date of any Demand Special Meeting shall be not more than seventy days after the Meeting Record Date (as defined in Section 6(a) of this Article II); and provided further that in the event that the directors, Chairman of the Board or President then in office fail(s) to designate a date and time for a Demand Special Meeting within ten days after the date that valid written demands for such meeting by the holders of record as of the Demand Record Date of shares representing at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the Demand Special Meeting, calculated as if the Demand Record Date were the record date for the Demand Special Meeting, are delivered to the Corporation (the “Delivery Date”), then such meeting shall be held at 10:00 A.M., local time, on the 100th day after the Delivery Date or, if such 100th day is not a Business Day, on the first preceding Business Day. In fixing a meeting date for any Special Meeting or Demand Special Meeting, the Board of Directors, the Chairman of the Board or the President may consider such factors as it, he or she deems relevant within the good faith exercise of its, his or her business judgment, including, without limitation, the nature of the action proposed to be taken, the facts and circumstances surrounding any demand for such meeting and any plan of the Board of Directors, the Chairman of the Board or the President to call an Annual Meeting or Special Meeting for the conduct of related business.

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(f) The Corporation may engage regionally or nationally recognized independent inspectors of elections to act as an agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported written demand or demands for a Demand Special Meeting received by the Secretary. For the purpose of permitting the inspectors to perform such review, no purported demand shall be deemed to have been delivered to the Corporation until the earlier of (i) five Business Days following receipt by the Secretary of such purported demand and (ii) such date as the independent inspectors certify to the Corporation that the valid demands received by the Secretary represent at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the Demand Special Meeting, calculated as if the Demand Record Date were the record date for the Demand Special Meeting. Nothing contained in this Section 3(f) shall in any way be construed to suggest or imply that the Board of Directors, the Chairman of the Board, the President or any shareholder shall not be entitled to contest the validity of any demand, whether during or after such five Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto).

Section 4. Notice of Meetings.

(a) Written notice stating the place, day and time of an Annual Meeting or a Special Meeting shall be delivered not less than ten days nor more than seventy days before the date of the meeting (unless a different date is required by law or the Articles of Incorporation), by or at the direction of the Chairman of the Board or the Secretary, to each shareholder of record entitled to vote at such meeting and to such other Persons as are required by the Wisconsin Business Corporation Law. In the event of any Demand Special Meeting, such notice of meeting shall be sent prior to the later of (i) the two days after the Meeting Record Date for such Demand Special Meeting and (ii) thirty days after the Delivery Date. For purposes of this Section 4, notice by "electronic transmission" (as defined in the Wisconsin Business Corporation Law) is written notice. Written notice pursuant to this Section 4 shall be deemed to be effective (x) when mailed, if mailed postpaid and addressed to the shareholder's address shown in the Corporation's current record of shareholders or (y) when electronically transmitted to the shareholder in a manner authorized by the shareholder.

(b) Except as provided in the following sentence, in the case of any Special Meeting, the notice of meeting shall describe any business that the Board of Directors shall have theretofore determined to bring before the meeting and, if applicable, shall contain the information required in the notice received by the Corporation in accordance with Section 5(b) of this Article II. In the case of a Demand Special Meeting, the notice of meeting (i) shall describe any business set forth in the statement of purpose of the demands received by the Corporation in accordance with Section 3 of this Article II, (ii) if applicable, shall contain all of the information required in the notice received by the Corporation in accordance with Section 5(b) of this Article II and (iii) shall describe any business that the Board of Directors shall have theretofore determined to bring before the Demand Special Meeting. Except as otherwise provided in these By-Laws, in the Articles of Incorporation or in the Wisconsin Business Corporation Law, the notice of an Annual Meeting need not include a description of the purpose or purposes for which the meeting is called.



(c) If any Annual Meeting, Special Meeting or Demand Special Meeting is adjourned to a different date, time or place, then the Corporation shall not be required to give notice of the new date, time or place if the new date, time or place is announced at the meeting before adjournment; provided, however, that if a new Meeting Record Date for an adjourned meeting is or must be fixed, then the Corporation shall give notice of the adjourned meeting to Persons who are shareholders as of the new Meeting Record Date.

Section 5. Notice of Shareholder Business and Nomination of Directors

(a) Annual Meetings

(i) Nominations of persons for election to the Board of Directors and the proposal of other business to be considered by the shareholders may be made at an Annual Meeting (A) pursuant to the Corporation's notice of meeting, (B) by or at the direction of the Board of Directors or (C) by any shareholder of the Corporation who (1) is a shareholder of record at the time of giving of notice provided for in this Section 5(a) and until and at the time of the Annual Meeting, (2) is entitled to vote with respect to such nomination or other business at the meeting under the Articles of Incorporation and (3) complies with the notice procedures set forth in this Section 5(a) as to such nomination or other business. The preceding clause (C) shall be the exclusive means for a shareholder to make nominations or submit other business (other than matters properly brought under Rule 14a-8 under the Exchange Act and included in the Corporation's notice of meeting) before an Annual Meeting.

(ii) For nominations or any other business to be properly brought before an Annual Meeting by a shareholder pursuant to the foregoing Section 5(a)(i)(C), the shareholder must have given timely notice thereof in writing to the Secretary and such other business must otherwise be a proper matter for shareholder action. To be timely, a shareholder's notice shall be received by the Secretary at the principal offices of the Corporation not less than forty-five days nor more than seventy days prior to the first annual anniversary of the date set forth in the Corporation's proxy statement for the immediately preceding Annual Meeting as the date on which the Corporation first mailed or intended to mail definitive proxy materials for the immediately preceding Annual Meeting (the "Anniversary Date"); provided, however, that if the date for which the Annual Meeting is called is more than thirty days before or more than thirty days after the first annual anniversary of the immediately preceding Annual Meeting, then notice by the shareholder to be timely must be received by the Secretary not earlier than the close of business on the 100th day prior to the date of such Annual Meeting and not later than the later of (A) the 75th day prior to the date of such Annual Meeting or (B) the 10th day following the day on which public announcement of the date of such Annual Meeting is first made. In no event shall any adjournment or postponement of an Annual Meeting or the announcement thereof commence a new time period for the giving of a shareholder notice as described above. Such shareholder's notice (whether given pursuant to this Section 5(a)(ii) or Section 5(b)) to the Secretary shall be signed by the shareholder of record who intends to make the nomination or introduce the other business and by the

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beneficial owner or owners, if any, on whose behalf the shareholder is acting, shall bear the date of signature of such shareholder and any such beneficial owner and shall set forth: (I) the name and address of such shareholder (as they appear on the Corporation's books) and any such beneficial owner; (II) the Share Information (which Share Information required by this clause (II) shall be supplemented by such shareholder and any such beneficial owner not later than ten days after the Meeting Record Date to disclose such Share Information as of the Meeting Record Date); (III) a representation that such shareholder is a holder of record of shares of the Corporation entitled to vote under the Articles of Incorporation at such meeting with respect to such nomination or other business and intends to appear in person or by proxy at the meeting to make such nomination or introduce such other business; (IV) any other information relating to such shareholder and any such beneficial owner that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; (V) in the case of any proposed nomination for election or re-election as a director, (1) the name and residence address of the person or persons to be nominated, (2) a description of all agreements, arrangements or understandings between such shareholder and any such beneficial owner and each nominee and any other Person or Persons (naming such Person or Persons) pursuant to which the nomination is to be made by such shareholder and any such beneficial owner, including without limitation any arrangement or understanding with any Person as to how such nominee, if elected as a director of the Corporation, will act or vote on any issue or question, (3) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such shareholder and any such beneficial owner and their respective Affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective Affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the shareholder making the nomination and any beneficial owner on whose behalf the nomination is made, or any Affiliate or associate thereof or Person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant, (4) such other information regarding each nominee proposed by such shareholder and any such beneficial owner as would be required to be disclosed in solicitations of proxies for contested elections of directors, or would be otherwise required to be disclosed, in each case pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder, and (5) the written consent of each nominee to be named in a proxy statement and to serve as a director of the Corporation if so elected; (VI) in the case of any proposed removal of a director, (1) the names of the directors to be removed and (2) the reasons of such shareholder and any such beneficial owner for asserting that such directors should be removed; and (VII) in the case of any other business that such shareholder and any such beneficial owner propose to bring before the meeting, (1) a brief description of the business desired to be brought before the meeting and, if such business includes a proposal to amend these By-Laws, the language of the proposed amendment, (2) the

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reasons of such shareholder and any such beneficial owner for conducting such business at the meeting, (3) any material interest in such business of such shareholder and any such beneficial owner and (4) a description of all agreements, arrangements or understandings between such shareholder and any such beneficial owner and any other Person or Persons (naming such Person or Persons) in connection with the proposal of such business by such shareholder. In the case of any proposed nomination for election or re-election as a director, the Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee.

For purposes of these By-Laws, the term "Share Information" shall mean (1) the class or series and number of shares of the Corporation that are owned, directly or indirectly, of record and/or beneficially by a shareholder, any beneficial owner on whose behalf the shareholder is acting and any of their respective Affiliates, (2) any option, warrant, convertible security, stock appreciation right or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "Derivative Instrument") directly or indirectly owned beneficially by such shareholder, any such beneficial owner and any of their respective Affiliates, and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (3) any proxy, contract, arrangement, understanding, or relationship pursuant to which such shareholder has a right to vote any shares of any security of the Corporation, (4) any short interest in any security of the Corporation (for purposes of this By-Law a Person shall be deemed to have a short interest in a security if such Person directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security), (5) any rights to dividends on the shares of the Corporation owned beneficially by such shareholder that are separated or separable from the underlying shares of the Corporation, (6) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such shareholder or beneficial owner is a general partner or, directly or indirectly, beneficially owns an interest in a general partner and (7) any performance-related fees (other than asset-based fee) that such shareholder, any such beneficial owner and any of their respective affiliates are entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such Person's immediate family sharing the same household.

(iii) Notwithstanding anything in the second sentence of the foregoing Section 5(a)(ii) to the contrary, if the number of directors to be elected to the Board of Directors is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least forty-five days prior to the Anniversary Date, then a shareholder's notice required by this Section 5 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary at the principal offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.

(b) Special Meetings. Only such business shall be conducted at a Special Meeting as shall have been described in the Corporation's notice of meeting sent to shareholders pursuant to the foregoing Section 4. Nominations of persons for election to the Board of Directors may be made at a Special Meeting at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or (ii) provided that the Board of Directors has determined that directors shall be elected at such Special Meeting, by any shareholder of the Corporation who (A) is a shareholder of record at the time of giving of notice provided for in this Section 5(b) and until and at the time of such Special Meeting, (B) is entitled to vote with respect to such nominations at the meeting under the Articles of Incorporation and (C) complies with the notice procedures set forth in this Section 5(b) as to such nomination. In the event the Board of Directors, the Chairman of the Board or the President calls a Special Meeting for the purpose of electing one or more directors to the Board of Directors, any shareholder permitted to nominate persons for election to the Board of Directors pursuant to clause (ii) of the preceding sentence who desires to nominate persons for election to such position(s) at such a Special Meeting as specified in the Corporation's notice of meeting shall cause a written notice described in Section 5(a)(ii) of this Article II (as if the nomination related to an Annual Meeting) to be received by the Secretary at the principal offices of the Corporation not earlier than ninety days prior to such Special Meeting and not later than the close of business on the later of (I) the 60th day prior to such Special Meeting and (II) the 10th day following the day on which public announcement is first made of the date of such Special Meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall any adjournment or postponement of a Special Meeting or the announcement thereof commence a new time period for the giving of a shareholder's notice as described above.

(c) General.

(i) Only persons who are nominated by the Board of Directors or in accordance with the procedures set forth in this Section 5 shall be eligible to be elected as directors at an Annual Meeting or Special Meeting. Only such business shall be conducted at an Annual Meeting or a Special Meeting, other than a Demand Special Meeting, as shall have been brought before such meeting by the Board of Directors or in accordance with the procedures set forth in this Section 5. Only such business shall be conducted at a Demand Special Meeting as shall have been set forth in the statement of purpose of the demands received by the Corporation in accordance with Section 3 of this Article II or as shall have been brought before the Demand Special Meeting as determined by the Board of Directors. The chairman of the meeting shall have the power

and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 5 and, if any proposed nomination or business is not in compliance with this Section 5, to declare that such defective proposal shall be disregarded.

(ii) For purposes of this Section 5, “public announcement” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(iii) Notwithstanding the foregoing provisions of this Section 5, a shareholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 5. Nothing in this Section 5 shall be deemed to limit the Corporation’s obligation to include shareholder proposals in its proxy statement if such inclusion is required by Rule 14a-8 under the Exchange Act.

Section 6. Fixing of Record Date.

(a) The Board of Directors may fix in advance a date not less than ten days and not more than seventy days prior to the date of an Annual Meeting or Special Meeting as the record date for the determination of shareholders entitled to notice of, or to vote at, such meeting (the “Meeting Record Date”). In the case of any Demand Special Meeting, (i) the Meeting Record Date shall be not later than the 30th day after the Delivery Date and (ii) if the Board of Directors fails to fix the Meeting Record Date within thirty days after the Delivery Date, then the close of business on such 30th day shall be the Meeting Record Date. The shareholders of record on the Meeting Record Date shall be the shareholders entitled to notice of and to vote at the Annual Meeting, Special Meeting or Demand Special Meeting. When a determination of shareholders entitled to notice of or to vote at the Annual Meeting, Special Meeting or Demand Special Meeting has been made as provided in this section, such determination shall be applied to any adjournment thereof unless the Board of Directors fixes a new Meeting Record Date and except as otherwise required by law. A new Meeting Record Date must be set if a meeting is adjourned to a date more than one hundred twenty days after the date fixed for the original meeting.

(b) The Board of Directors may also fix in advance a date as the record date for the purpose of determining shareholders entitled to take any other action or determining shareholders for any other purpose other than those set forth in Section 3(a) of this Article II and the foregoing Section 6(a). Such record date shall not be more than seventy days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If the Board of Directors does not fix a record date for the determination of shareholders entitled to receive a share dividend or distribution (other than a distribution involving a purchase, redemption or other acquisition of the Corporation’s shares), then the close of business on the date on which the resolution of the Board of Directors is adopted declaring the dividend or distribution shall be the record date.

(c) In order that the Corporation may determine the shareholders entitled to express consent to corporate action in writing without a meeting, the Board of Directors may fix a record date to determine the shareholders entitled to express consent to corporate action in writing without a meeting (the "Consent Record Date"). The Consent Record Date shall not precede the date upon which the resolution fixing the Consent Record Date is adopted by the Board of Directors, and such date shall not be more than ten days after the date upon which the resolution fixing the Consent Record Date is adopted by the Board of Directors. Any shareholder or shareholders of record who are seeking to have the shareholders express consent to corporate action in writing without a meeting shall, by sending written notice to the Secretary of the Corporation by hand or by certified registered mail, return receipt requested, request the Board of Directors to fix a Consent Record Date. The Board of Directors shall promptly, but in all events within ten days after the date on which such a valid request is received and verified, adopt a resolution fixing the Consent Record Date and shall make a public announcement of such Consent Record Date. If no Consent Record Date has been fixed by the Board of Directors within ten days after the date on which such a request is received and verified by the Secretary, then the Consent Record Date shall be the 10th day after the first date on which a valid written request to set a Consent Record Date is received and verified by the Secretary. To be valid, such written request shall comply with each of the following:

(i) Such written request shall be signed by one or more shareholders of record and by the beneficial owners or owners, if any, on whose behalf the shareholder or shareholders are acting, shall bear the date of signature of each such shareholder and any such beneficial owner and shall set forth: (A) the name and address, as they appear on this Corporation's books, of each such shareholder and any such beneficial owner who seeks to have the shareholders express consent to corporate action in writing without a meeting; (B) the Share Information; (C) a representation that each such shareholder is a holder of record of shares of the Corporation entitled to vote under the Articles of Incorporation at a meeting of shareholders with respect to each matter for which such shareholder is seeking to have shareholders express consent to corporate action in a writing without a meeting; (D) any other information relating to such shareholder and any such beneficial owner that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; (E) the manner in which each such shareholder and any such beneficial owner intend to comply with Regulation 14A under the Exchange Act in seeking to have the shareholders express consent to corporate action in writing without a meeting; (F) in the case of any such shareholder and any such beneficial owner seeking to elect or re-elect a director by the shareholders expressing consent to corporate action in writing without a meeting, (1) the name and residence address of the person or persons each such shareholder and any such beneficial owner are seeking to elect or re-elect as a director, (2) a description of all agreements, arrangements or understandings between each such

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shareholder and any such beneficial owner and each person such shareholder and any such beneficial owner are seeking to elect or re-elect as a director and any other Person or Persons (naming such Person or Persons) pursuant to which such shareholder and any such beneficial owner are seeking to elect or re-elect such person as a director including without limitation any arrangement or understanding with any Person as to how such person, if elected or re-elected as a director of the Corporation, will act or vote on any issue or question, (3) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such shareholder and any such beneficial owner and their respective Affiliates and associates, or others acting in concert therewith, on the one hand, and each person such shareholder and any such beneficial owner are seeking to elect or re-elect as a director, and his or her respective Affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if such shareholder and any such beneficial owner, or any Affiliate or associate thereof or Person acting in concert therewith, were the "registrant" for purposes of such rule and the person such shareholder and any such beneficial owner are seeking to elect or re-elect as a director were a director or executive officer of such registrant, (4) such other information regarding each person such shareholder and any such beneficial owner are seeking to elect or re-elect as a director as would be required to be disclosed in solicitations of proxies for contested elections of directors, or would be otherwise required to be disclosed, in each case pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder, and (5) the written consent of each such person to serve as a director of the Corporation if so elected; (G) in the case of any such shareholder and any such beneficial owner seeking to remove a director by the shareholders expressing consent to corporate action in writing without a meeting, (1) the names of the director(s) each such shareholder and any such beneficial owner are seeking to remove and (2) the reasons of each such shareholder and any such beneficial owner for asserting that such director(s) may be removed for cause; and (H) in the case of any such shareholder and any such beneficial owner seeking to authorize or take any other corporate action by the shareholders expressing consent to corporate action in writing without a meeting, (1) a brief description of the corporate action desired to be authorized or taken and, if such corporate action includes an amendment to these By-Laws, the language of the proposed amendment, (2) the reasons of each such shareholder and any such beneficial owner for authorizing or taking such corporate action, (3) any material interest in such corporate action of each such shareholder and any such beneficial owner and (4) a description of all agreements, arrangements or understandings between such shareholder and any such beneficial owner and any other Person or Persons (naming such Person or Persons) in connection with the corporate action desired to be authorized or taken by such shareholder. In the case of any such shareholder and any such beneficial owner seeking to elect or re-elect a director by the shareholders expressing consent to corporate action in writing without a meeting, the Corporation may require any person such shareholder and any such beneficial owner are seeking to elect or re-elect as a director to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such person to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such person.

(ii) Such written request shall be accompanied by a written agreement, which may require furnishing of a bond, signed by each Consent Soliciting Shareholder (as defined below) pursuant to which each Consent Soliciting Shareholder, jointly and severally, agrees to pay the Corporation's costs relating to such Consent Soliciting Shareholder seeking to have the shareholders express consent to corporate action in writing without a meeting, including the costs of preparing and mailing proxy materials for the Corporation's own solicitation, provided that if the Consent Soliciting Shareholder obtains the requisite number of shares subject to valid and unrevoked Consents (as defined in Section 11(b) of this Article II) to express the corporate action referred to therein in accordance with these By-Laws, then the Consent Soliciting Shareholders shall not be required to pay such costs. For purposes of these By-Laws, "Consent Soliciting Shareholder" shall mean each of the following Persons: (A) if the number of shareholders signing the Consent or Consents is ten or fewer, each Person signing any such Consents; or (B) if the number of shareholders signing the Consent or Consents is more than ten, each Person who either (1) was a Participant in any Solicitation of such consent or consents or (2) at the time of the delivery to the Corporation of the documents described in this Section 6(c) had engaged or intends to engage in any Solicitation of Consents and/or Proxies for expressing consent to corporate action in writing without a meeting (other than a Solicitation of Consents and/or Proxies on behalf of the Corporation).

A "Consent Soliciting Shareholder" shall also mean each Affiliate of a Consent Soliciting Shareholder described in clause (A) or (B) above who is a member of such Consent Soliciting Shareholder's "group" for purposes of Rule 13d-5(b) under the Exchange Act, and any other Affiliate of such a Consent Soliciting Shareholder, if a majority of the directors then in office determine, reasonably and in good faith, that such Affiliate should be required to sign the written notice described in the foregoing Section 6(c)(i) and/or the written agreements described in this Section 6(c)(ii) and the following Section 6(c)(iii) to prevent the purposes of this Section 6(c) and Section 11 of this Article II from being evaded.

(iii) Such written request shall be accompanied by a written agreement signed by each Consent Soliciting Shareholder pursuant to which each Consent Soliciting Shareholder agrees to deliver to any inspectors of election engaged by the Corporation pursuant to Section 11(d) of this Article II within two Business Days after receipt all Consents and revocations thereof received by such Consent Soliciting Shareholder or such Consent Soliciting Shareholder's proxy solicitor or other designated agent in connection with such Consent Soliciting Shareholder seeking to have the shareholders express written consent to corporate action without a meeting.

Section 7. List of Shareholders. It shall be the duty of the Secretary or other officer of the Corporation who shall have charge of the stock ledger to prepare and make, at least ten days before every meeting of the shareholders, a complete list of the shareholders entitled to vote thereat, arranged in alphabetical order, and showing the address of each



shareholder and the number of shares registered in his name. Such list shall be open to the examination of any shareholder, for any purpose germane to the meeting, during ordinary business hours, for a period beginning two Business Days after notice of the meeting is given for which the list was prepared and continuing to the date of the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting or, if not so specified, at the place where the meeting is to be held. The list shall be kept and produced at the time and place of the meeting during the whole time thereof and subject to the inspection of any shareholders who may be present. The original or duplicate ledger shall be the only evidence as to who are the shareholders entitled to examine such list or the books of the Corporation or to vote in person or by proxy at such meeting.

Section 8. Quorum: Postponement: Adjournments

(a) Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. Except as otherwise provided in the Articles of Incorporation, these By-Laws or in the Wisconsin Business Corporation Law, a majority of the votes entitled to be cast on a matter by the voting group shall constitute a quorum of that voting group for action on that matter. Once a share is represented for any purpose at a meeting, other than for the purpose of objecting to holding the meeting or transacting business at the meeting, it is considered present for purposes of determining whether a quorum exists for the remainder of the meeting and for any adjournment of the meeting unless a new Meeting Record Date is or must be set for the adjourned meeting.

(b) The Board of Directors acting by resolution may postpone and reschedule any previously scheduled meeting; provided, however, that a Demand Special Meeting shall not be postponed beyond the 100th day following the Delivery Date. Any meeting may be adjourned from time to time, whether or not there is a quorum, (i) at any time, upon a resolution by shareholders if the votes cast in favor of such resolution by the holders of shares of each voting group entitled to vote on any matter theretofore properly brought before the meeting exceed the number of votes cast against such resolution by the holders of shares of each such voting group or (ii) at any time prior to the transaction of any business at such meeting, by the President, the Chairman of the Board or pursuant to a resolution of the Board of Directors; provided, however, that a Demand Special Meeting adjourned pursuant to clause (ii) must be reconvened on or before the 100th day following the Delivery Date. No notice of the time and place of adjourned meetings need be given except as required by the Wisconsin Business Corporation Law. At any adjourned meeting at which a quorum shall be present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

Section 9. Voting. Every shareholder of record who is entitled to vote shall at every meeting of the shareholders be entitled to one vote for each share of stock held by him on the record date; except, however, that shares of its own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held by the Corporation, shall neither be

entitled to vote nor counted for quorum purposes. Nothing in this Section shall be construed as limiting the right of the Corporation to vote its own stock held by it in a fiduciary capacity. If a quorum exists, then action on a matter, other than the election of directors, by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the Articles of Incorporation, these By-Laws or the Wisconsin Business Corporation Law requires a greater number of affirmative votes. Each director shall be elected as provided in Section 2 of Article III. Unless demanded by a shareholder of the Corporation present in person or by proxy at any meeting of the shareholders and entitled to vote thereat or so directed by the chairman of the meeting or required by law, the vote thereat on any question need not be by written ballot. On a vote by written ballot, each ballot shall be signed by the shareholder voting, or in his name by his proxy, if there be such proxy, and shall state the number of shares voted by him and the number of votes to which each share is entitled.

Section 10. Proxies. At any meeting, a shareholder entitled to vote may vote in person or by proxy. A shareholder entitled to vote at any meeting, or to express consent or dissent in writing to any corporate action without a meeting, may authorize another Person to act for the shareholder by appointing the Person as a proxy. The means by which a shareholder or the shareholder's authorized officer, director, employee, agent or attorney-in-fact may authorize another Person to act for the shareholder by appointing the Person as proxy include:

(a) Appointment of a proxy in writing by signing or causing the shareholder's signature to be affixed to an appointment form by any reasonable means, including, without limitation, by facsimile signature.

(b) Appointment of a proxy by transmitting or authorizing the transmission of an electronic transmission of the appointment to the Person who will be appointed as proxy or to a proxy solicitation firm, proxy support service organization or like agent authorized to receive the transmission by the Person who will be appointed as proxy. Every electronic transmission shall contain, or be accompanied by, information that can be used to reasonably determine that the shareholder transmitted or authorized the transmission of the electronic transmission. Any Person charged with determining whether a shareholder transmitted or authorized the transmission of the electronic transmission shall specify the information upon which the determination is made.

An appointment of a proxy is effective when a signed appointment form or an electronic transmission of the appointment is received by the inspector of election or the officer or agent of the Corporation authorized to tabulate votes. Unless the appointment form or electronic transmission states that the proxy is irrevocable and the appointment is coupled with an interest, a proxy may be revoked at any time before it is voted, either by written notice filed with the Secretary or the secretary of the meeting or by oral notice given by the shareholder to the presiding officer during the meeting. The presence of a shareholder who has made an effective proxy appointment shall not of itself constitute a revocation. A proxy appointment is valid for eleven months unless a different period is expressly provided in the appointment. The Board of Directors, the Chairman of the Board and the President each shall have the power and authority to make rules as to the validity and sufficiency of proxies.

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Section 11. Action without a Meeting.

(a) Any action required to be taken at any Annual Meeting or Special Meeting or any action which may be taken at any Annual Meeting or Special Meeting may be taken without a meeting, without prior notice and without a vote, if a consent in writing setting forth the action so taken shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those shareholders who have not consented in writing.

(b) To be valid, each expression of consent to corporate action in writing (a "Consent") shall be in writing; shall set forth the specific corporate action to be taken (which corporate action or actions shall be limited to the action or actions set forth in the written request to set a Consent Record Date received by the Corporation pursuant to Section 6(c) of this Article II); shall be signed by one or more Persons who as of the Consent Record Date are shareholders of record (or their duly authorized proxies); shall bear the date of signature of each such shareholder (or their duly authorized proxies); shall set forth the name and address, as they appear in the Corporation's books, of each shareholder signing such Consent and the class and number of shares of the Corporation that are owned of record by each such shareholder; in the case of a Person who is not a shareholder of record, shall be accompanied by a proxy or proxies evidencing each such Person's appointment as a proxy for the applicable shareholder of record; and shall be sent to the inspectors of elections engaged by the Corporation pursuant to the following Section 11(d) in accordance with the provisions of the following Section 11(e). Without limiting the foregoing, no Consent shall be valid unless, within seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II, Consents representing the requisite number of shares subject to valid and unrevoked Consents to express such corporate action are delivered to the Corporation pursuant to this Section 11; provided, however, that if the Corporation or a Consent Soliciting Shareholder (whichever is soliciting Consents) has requested a Preliminary Consent Report that is pending on such 70th day pursuant to the following Section 11(f), then such Consents shall be valid if Consents representing the requisite number of shares subject to valid and unrevoked Consents to express such corporate action are delivered to the Corporation pursuant to this Section 11 at such time as such inspectors issue the Final Consent Report relating to the pending Preliminary Consent Report pursuant to the following Section 11(g) or Section 11(h). The Board of Directors, the Chairman of the Board or the President shall have the power and authority to make rules that are not inconsistent with the Wisconsin Business Corporation Law as to the validity of Consents and revocations thereof.

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(c) Consents may be revoked at any time prior to the earlier of (i) such time as the inspectors of elections issue a Final Consent Report pursuant to the following Section 11(g) or Section 11(h) or (ii) seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II by written notice delivered to (A) the Secretary, (B) any Consent Soliciting Shareholder, (C) to a proxy solicitor or other agent designated by the Corporation or any Consent Soliciting Shareholder and/or (D) the inspectors of elections engaged by the Corporation pursuant to the following Section 11(d).

(d) Within three Business Days after a Consent Record Date fixed pursuant to Section 6(c) of this Article II, the Corporation shall (i) engage regionally or nationally recognized independent inspectors of elections to act as agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of Consents and revocations thereof and (ii) provide notice to each Consent Soliciting Shareholder of the identity of such inspectors and the manner in which such Consent Soliciting Shareholder may deliver Consents and revocations thereof to such inspectors pursuant to the following Section 11(e). Except as provided in Section 6(c)(ii) of this Article II, the cost of retaining inspectors of election shall be borne by the Corporation.

(e) The Corporation, the Consent Soliciting Shareholders and their respective proxy solicitors or other designated agents shall deliver Consents and revocations thereof to the inspectors within two Business Days after receipt. As soon as the inspectors receive Consents and/or revocations thereof, the inspectors shall review the Consents and revocations thereof and shall maintain a count of the number of shares subject to valid and unrevoked Consents. The inspectors shall keep such count confidential and shall not reveal the count to any Person; provided, however, that, as soon as practicable after a written request therefor by the Corporation or a Consent Soliciting Shareholder, the inspectors shall issue a report (a "Consent Report") to the Corporation and the Consent Soliciting Shareholders stating: (i) the number of shares subject to valid Consents; (ii) the number of shares subject to valid revocations of Consents; (iii) the number of shares subject to valid and unrevoked Consents; (iv) the number of shares subject to invalid Consents; (v) the number of shares subject to invalid revocations of Consents; (vi) whether, based on their count, the requisite number of shares subject to valid and unrevoked Consents has been obtained to express the corporate action specified in the Consents; and (vii) the latest date the inspectors received Consents and revocations thereof that the inspectors reflected in such report (the "Report Date").

(f) As soon as practicable after a written request therefor by the Corporation or a Consent Soliciting Shareholder (whichever is soliciting Consents), notice of which request shall be given to the Corporation and any parties opposing the solicitation of Consents, if any, which request shall state that the Corporation or the Consent Soliciting Shareholders, as the case may be, have a good faith belief that the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents has been received in accordance with the Articles of Incorporation and these By-Laws, the inspectors shall issue and deliver to the Corporation and the Consent Soliciting Shareholders a preliminary Consent Report (the "Preliminary Consent Report"); provided, however, that neither the Corporation nor the Consent Soliciting

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Shareholders may request a Preliminary Consent Report after the 70th day after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II. Unless the Corporation and the Consent Soliciting Shareholders shall agree to a shorter or longer period, the Corporation and the Consent Soliciting Shareholders shall have two Business Days after receipt of the Preliminary Consent Report to review the Consents and revocations thereof and to advise the inspectors and the opposing parties in writing as to whether they intend to challenge the Preliminary Consent Report.

(g) If no written notice of an intention to challenge a Preliminary Consent Report is received within two Business Days after receipt of the Preliminary Consent Report by the Corporation and the Consent Soliciting Shareholders and either (i) the date that is two Business Days after such receipt of such Preliminary Consent Report (the "Cut-Off Date") is more than seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II or (ii) the Cut-Off Date is not more than seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II and the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was obtained, then the inspectors shall as promptly as practicable issue to the Corporation and the Consent Soliciting Shareholders their final Consent Report (a "Final Consent Report"), which shall contain the information included in the Preliminary Consent Report, plus all changes in the vote totals as a result of Consents and revocations thereof received after the Preliminary Consent Report Report Date to the time of issuance of the Final Consent Report, if such Consents and revocations thereof are received within seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II, and a certification as to whether the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was obtained. If the Cut-Off Date is not more than seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II and the requisite number or shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was not obtained, then the inspectors shall as promptly as practicable issue a Consent Report to the Corporation and the Consent Soliciting Shareholders and a certification that the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was not obtained, and the Corporation or the Consent Soliciting Shareholders (whichever is soliciting Consents) shall have the right to request again a Preliminary Consent Report in accordance with the provisions of the foregoing Section 11(f).

(h) If the Corporation or the Consent Soliciting Shareholders issue written notice to the inspectors and the Corporation or the Consent Soliciting Shareholders, as the case may be, of an intention to challenge a Preliminary Consent Report within two Business Days after receipt of the Preliminary Consent Report by the Corporation and the Consent Soliciting Shareholders, then a challenge session shall be scheduled by the inspectors as promptly as practicable, at which the Corporation and the Consent Soliciting Shareholders shall have the right to object to the validity of Consents and revocations thereof. A transcript of the challenge session shall be recorded by a certified court reporter. Following completion of the challenge session, if either (i) the date on

which the challenge session is completed (the "Completion Date") is more than seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II or (ii) the Completion Date is not more than seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II and the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was obtained, then the inspectors shall as promptly as practicable issue to the Corporation and the Consent Soliciting Shareholders a Final Consent Report, which shall contain the information included in the Preliminary Consent Report, plus all changes in the vote totals as a result of the challenge and, if such Consents and revocations thereof are received within seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II, Consents and revocations thereof received after the Preliminary Consent Report Report Date to the time of issuance of the Final Report, and a certification as to whether the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was obtained. If the Completion Date is not more than seventy days after the applicable Consent Record Date fixed pursuant to Section 6(c) of this Article II and the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was not obtained, then the inspectors shall as promptly as practicable issue a Consent Report to the Corporation and the Consent Soliciting Shareholders and a certification that the requisite number of shares subject to valid and unrevoked Consents to express the corporate action specified in the Consents was not obtained, and the Corporation or the Consent Soliciting Shareholders (whichever is soliciting Consents) shall have the right to request again a Preliminary Consent Report in accordance with the provisions of the foregoing Section 11(f).

(i) Simultaneously with the delivery of any Final Consent Report to the Corporation pursuant to the foregoing Section 11(g) or Section 11(h), the inspectors shall deliver all valid and unrevoked Consents to the Corporation, which shall constitute delivery of such Consents to the Corporation for purposes of Section 180.0704 of the Wisconsin Business Corporation Law and the Articles of Incorporation. A copy of any Final Consent Report shall be included in the book in which the proceedings of meetings of shareholders are recorded.

(j) As to any Consent, if, prior to the issuance of a Final Consent Report and delivery of Consents to the Corporation, all Consent Soliciting Shareholders notify the Corporation and the inspectors in writing that such Consent Soliciting Shareholders no longer desire to express consent to the corporate actions specified in the Consents, then the Consents shall be deemed abandoned, and the inspectors shall not issue a Final Consent Report or deliver such Consents to the Corporation.

Section 12. Acceptance of Instruments Showing Shareholder Action. If the name signed on a vote, consent, waiver or proxy appointment corresponds to the name of a shareholder, the Corporation, acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of a shareholder. If the name signed on a vote, consent, waiver or proxy appointment does not correspond to the name of a shareholder, the Corporation, acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder if any of the following apply:

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- (a) The shareholder is an entity and the name signed purports to be that of an officer or agent of the entity.
  - (b) The name purports to be that of a personal representative, administrator, executor, guardian or conservator representing the shareholder and, if the Corporation requests, evidence of fiduciary status acceptable to the Corporation is presented with respect to the vote, consent, waiver or proxy appointment.
  - (c) The name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the Corporation requests, evidence of this status acceptable to the Corporation is presented with respect to the vote, consent, waiver or proxy appointment.
  - (d) The name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the Corporation requests, evidence acceptable to the Corporation of the signatory's authority to sign for the shareholder is presented with respect to the vote, consent, waiver or proxy appointment.
  - (e) Two or more persons are the shareholders as co-tenants or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the person signing appears to be acting on behalf of all co-owners.

The Corporation may reject a vote, consent, waiver or proxy appointment if the Secretary or other officer or agent of the Corporation who is authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.

Section 13. Conduct of Meetings. The Chairman of the Board or, in his or her absence, the President or, in the President's absence, a Vice President designated by the Board of Directors, shall call any Annual Meeting, Special Meeting or Demand Special Meeting to order and shall act as chairman of the meeting, and the Secretary shall act as secretary of all meetings of the shareholders, but, in the absence of the Secretary, the presiding officer may appoint any other person to act as secretary of the meeting. The Board of Directors may, to the extent not prohibited by law, adopt by resolution such rules and regulations for the conduct of a meeting as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations or procedures and to do such acts as, in the judgment of the chairman of the meeting, are appropriate for the proper conduct of a meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may to the extent not prohibited by law include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present;

(c) limitations on attendance at or participation in the meeting to shareholders of record of the Corporation, their duly authorized and constituted proxies (which shall be reasonable in number) or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; (e) limitations on the time allotted to questions or comments by participants; (f) rules and procedures regarding the execution of election ballots before or after the time fixed for the commencement of the meeting; (g) the appointment of an inspector of election or an officer or agent of the Corporation authorized to tabulate votes; and (h) rules and procedures to facilitate the conduct of, and participation in, the meeting by electronic means.

### ARTICLE III

#### BOARD OF DIRECTORS

Section 1. Powers. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors.

Section 2. Election and Term.

(a) The Board of Directors shall be divided into three groups, which are hereby designated as Group One, Group Two and Group Three. The term of office of the initial Group One Directors shall expire at the next annual meeting of shareholders; the term of office of the initial Group Two Directors shall expire at the second succeeding annual meeting of shareholders; and the term of office of the initial Group Three Directors shall expire at the third succeeding annual meeting of shareholders. At each annual shareholders meeting held thereafter, Directors to replace those whose terms expire at such annual meeting shall be elected to hold office until the third succeeding annual meeting and until their successors are elected and qualify, or until they sooner die, resign or are removed. Acceptance of the office of Director may be expressed orally or in writing, and attendance at a meeting shall constitute such acceptance.

(b) Except as provided in this Section 2, each Director shall be elected by the majority of the votes cast with respect to that Director's election at any meeting of shareholders for the election of Directors at which a quorum is present and the election is not a Contested Election. For purposes of this Section 2, a majority of votes cast shall mean that the number of votes cast "for" a Director's election exceeds the number of votes cast "withheld" with respect to that Director's election. Abstentions will not be counted as votes cast with respect to that Director's election. If at the close of the notice periods set forth in Section 5 of Article II or upon the Corporation's receipt of demands sufficient to require the calling of a Demand Special Meeting under Section 3(c) of Article II, the Chairman of the Board determines that the number of persons properly nominated to serve as Directors of the Corporation exceeds the number of Directors to be elected (a "Contested Election"), each Director shall be elected by a plurality of the votes cast with respect to that Director's election at the meeting at which a quorum is present regardless of whether a Contested Election shall continue to exist as of the date of such meeting.



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(c) In an election of Directors that is not a Contested Election, any nominee who was an incumbent Director whose term would otherwise have expired at the time of the election if a successor had been elected who receives a number of votes cast "for" his or her election less than the number of votes cast "withheld" with respect to his or her election (a "Majority Against Vote") will promptly tender his or her resignation to the Chairman of the Board following certification of the shareholder vote. The Nominating and Corporate Governance Committee of the Board of Directors will promptly consider the resignation submitted by such director, and the Nominating and Corporate Governance Committee will make a recommendation to the Board of Directors as to whether to accept the tendered resignation or to reject it. In considering whether to accept or reject the tendered resignation, the Nominating and Corporate Governance Committee will consider all factors deemed relevant by the members of the Nominating and Corporate Governance Committee, including, without limitation, the stated reasons why shareholders "withheld" votes for election from such Director, the length of service and qualifications of the Director whose resignation has been tendered and the Director's contributions to the Corporation. The Board of Directors will act on the Nominating and Corporate Governance Committee's recommendation no later than 90 days following the date of the meeting of shareholders at which the election occurred. In considering the Nominating and Corporate Governance Committee's recommendation, the Board of Directors will consider the factors considered by the Nominating and Corporate Governance Committee and such additional information and factors the Board of Directors believes to be relevant. Following the Board of Directors' decision, the Corporation will promptly publicly disclose in a Form 8-K filed with the Securities and Exchange Commission the Board of Directors' decision whether to accept the resignation as tendered, including a full explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the tendered resignation. Any Director who tenders a resignation pursuant to this provision will not participate in the Nominating and Corporate Governance Committee recommendation or Board of Directors consideration regarding whether or not to accept the tendered resignation. If a majority of the members of the Nominating and Corporate Governance Committee received Majority Against Votes at the same election, then the independent Directors who are on the Board of Directors who did not receive Majority Against Votes or who were not standing for election will appoint a committee of the Board of Directors among themselves for the purpose of considering the tendered resignations and will recommend to the Board of Directors whether to accept or reject them. This committee of the Board of Directors may, but need not, consist of all of the independent Directors who did not receive Majority Against Votes or who were not standing for election.

(d) If a Director's resignation is accepted by the Board of Directors pursuant to this Section 2, or if a nominee for Director is not elected and the nominee is not an incumbent Director whose term would otherwise have expired at the time of the election if a successor had been elected, then the Board of Directors may fill the resulting vacancy pursuant to the provisions of Section 11 of Article III of these By-Laws or may decrease the size of the Board of Directors pursuant to the provisions of Section 3 of Article III of these By-Laws.

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**Section 3. Number.** The number of Directors shall be such number as shall be determined from time to time by the Board of Directors but shall not be less than three nor more than eleven.

**Section 4. Tenure and Qualifications.** Each Director shall hold office until the next annual meeting of shareholders in the year in which such Director's term expires and until his successor shall have been elected, or until his prior death, resignation or removal for cause only. A Director may be removed from office for cause only by the shareholders at an annual meeting or a special meeting of shareholders called for that purpose if the number of votes cast to remove such Director exceeds the number of votes cast not to remove such Director, and any vacancy so created may be filled by the shareholders by the affirmative vote of a majority of the votes cast with respect to filling such vacancy. Directors need not be residents of the State of Wisconsin or shareholders of the Corporation.

**Section 5. Nominations for Election to the Board of Directors** Nominations for elections to the Board of Directors may be made by the Board of Directors or by any shareholder of any outstanding class of capital stock of the Corporation entitled to vote for election of Directors at a meeting of shareholders in accordance with Section 5 of Article II.

**Section 6. Quorum and Manner of Acting** Unless otherwise provided by law, the presence of fifty-one percent (51%) of the whole Board of Directors shall be necessary to constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the Directors present may adjourn the meeting from time to time until a quorum shall be present. Notice of any adjourned meeting need not be given. At all meetings of Directors, a quorum being present, all matters shall be decided by the affirmative vote of the majority of the Directors present, except as otherwise required by law. The Board of Directors may hold its meetings at such place or places within or without the State of Wisconsin as the Board of Directors may from time to time determine or as shall be specified in the respective notices, or waivers of notice, thereof.

**Section 7. Organization Meeting.** Immediately after each annual meeting of shareholders for the election of Directors the Board of Directors shall meet at the place of the annual meeting of shareholders for the purpose of organization, the election of officers and the transaction of other business. Notice of such meeting need not be given. If such meeting is held at any other time or place, notice thereof must be given as hereinafter provided for special meetings of the Board of Directors, subject to a waiver of such notice, in the manner set forth in Section 180.0823 of the Wisconsin Business Corporation Law, by all Directors who may not have received such notice.

**Section 8. Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place, within or without the State of Wisconsin, as shall from time to time be determined by the Board of Directors. After there has been such determination, and notice thereof has been once given to each member of the Board of Directors as hereinafter provided for special meetings, regular meetings may be held without further notice being given.

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**Section 9. Special Meetings; Notice.** Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board, if any, the President or by a majority of the Directors. Notice of each such meeting shall be mailed to each Director, addressed to him at his residence or usual place of business, at least five days before the date on which the meeting is to be held, or shall be sent to him at such place by telegraph, cable, radio or wireless, or be delivered personally or by telephone, not later than the day before the day on which such meeting is to be held. Each such notice shall state the time and place of the meeting and, as may be required, the purposes thereof. Notice of any meeting of the Board of Directors need not be given to any Director if he shall sign a written waiver thereof either before or after the time stated therein for such meeting, or if he shall be present at the meeting. Unless limited by law, the Articles of Incorporation, these By-Laws or the terms of the notice thereof, any and all business may be transacted at any meeting without the notice thereof having specifically identified the matters to be acted upon.

**Section 10. Resignations.** Any Director of the Corporation may resign at any time by giving written notice to the Chairman of the Board, if any, the President or the Secretary of the Corporation. The resignation of any Director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 11. Vacancies.** Any newly created directorships and vacancies occurring in the Board by reason of death, resignation, retirement or disqualification may be filled by (a) a majority of the Directors then in office or (b) the action of the holders of record of the majority of the issued and outstanding stock of the Corporation (i) present in person or by proxy at a meeting of holders of such stock and entitled to vote thereon or (ii) by a consent in writing in the manner contemplated in Section 11 of Article II. The Director so chosen, whether selected to fill a vacancy or elected to a new directorship, shall hold office until the next meeting of shareholders at which the election of directors is in the regular order of business, and until his successor has been elected and qualifies, or until he sooner dies, resigns or is removed.

**Section 12. Committees.** There may be an Executive Committee. There shall be an Audit Committee composed of independent directors. There shall be a Compensation Committee composed of independent directors. The Board of Directors by resolution adopted by the affirmative vote of a majority of the number of directors then in office may create one or more additional committees. Each committee shall have two or more members who shall, unless otherwise provided by the Board of Directors, serve at the pleasure of the Board of Directors. Except as otherwise provided by law, each committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise such power and authority as the Board of Directors shall specify.

Section 13. Compensation of Directors. Directors, as such, shall not receive any stated salary for their services, but, by resolution of the Board, a specific sum fixed by the Board plus expenses may be allowed for attendance at each regular or special meeting of the Board; provided, however, that nothing herein contained shall be construed to preclude any Director from serving the Corporation or any parent or subsidiary corporation thereof in any other capacity and receiving compensation therefor.

Section 14. Action without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent thereto is signed by all members of the Board, and such written consent is filed with the minutes or proceedings of the Board.

Section 15. Telephonic Participation in Meetings. Members of the Board of Directors may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in persons at such meeting.

#### ARTICLE IV

##### OFFICERS

Section 1. Principal Officers. The Board of Directors shall elect a President, a Secretary and a Treasurer, and may in addition elect a Chairman of the Board, one or more Vice Presidents and such other officers as it deems fit; the President, the Secretary, the Treasurer, the Chairman of the Board, if any, and the Vice Presidents, if any, being the principal officers of the Corporation. One person may hold, and perform the duties of, any two or more of said offices.

Section 2. Election and Term of Office. The principal officers of the Corporation shall be elected annually by the Board of Directors at the organization meeting thereof. Each such officer shall hold office until his successor shall have been elected and shall qualify, or until his earlier death, resignation or removal.

Section 3. Other Officers. In addition, the Board may elect, or the Chairman of the Board, if any, or the President may appoint, such other officers as they deem fit. Any such other officers so chosen shall be subordinate officers and shall hold office for such period, have such authority and perform such duties as the Board of Directors, the Chairman of the Board, if any, or the President may from time to time determine.

Section 4. Removal. Any officer may be removed, either with or without cause, at any time, by resolution adopted by the Board of Directors at any regular meeting of the Board, or at any special meeting of the Board called for that purpose, at which a quorum is present.

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Section 5. Resignations. Any officer may resign at any time by giving written notice to the Chairman of the Board, if any, the President, the Secretary or the Board of Directors. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for election or appointment to such office for such term.

Section 7. Chairman of the Board. The Chairman of the Board of Directors, if one be elected, shall preside, if present, at all meetings of the shareholders and the Board of Directors, and shall have and perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section 8. President. The President shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation. In the absence or non-election of the Chairman of the Board of Directors, if present thereat, he shall preside at all meetings of the shareholders and at all meetings of the Board of Directors. Except as the Board of Directors shall authorize the execution thereof in some other manner, he shall execute bonds, mortgages, and other contracts on behalf of the Corporation, and shall cause the seal to be affixed to any instrument requiring it and when so affixed the seal shall be attested by the signature of the Secretary or the Treasurer.

Section 9. Vice President. Each Vice President shall have such powers and shall perform such duties as shall be assigned to him by the directors.

Section 10. Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Corporation. He shall exhibit at all reasonable times his books of account and records to any of the Directors of the Corporation upon application during business hours at the office of the Corporation where such books and records shall be kept; when requested by the Board of Directors, he shall render a statement of the condition of the finances of the Corporation at any meeting of the Board or at the annual meeting of shareholders; he shall receive, and give receipt for, moneys due and payable to the Corporation from any source whatsoever; in general, he shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Chairman of the Board of Directors, the President or the Board of Directors. The Treasurer shall give such bond, if any, for the faithful discharge of his duties as the Board of Directors may require.

Section 11. Secretary. The Secretary, if present, shall act as secretary at all meetings of the Board of Directors and of the shareholders and keep the minutes thereof in a book or books to be provide for that purpose; he shall see that all notices required to be given by the Corporation are duly given and served; he shall have charge of the stock records of the Corporation; he shall see that all reports, statements and other documents required by law are properly kept and filed; and in general he shall perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Chairman of the Board of Directors, the President or the Board of Directors.

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Section 12. Salaries. The salaries of the principal officers shall be fixed from time to time by the Board of Directors, and the salaries of any other officers may be fixed by the Chairman of the Board of Directors or, if no Chairman of the Board shall have been elected, the President.

ARTICLE V

INDEMNIFICATION

The Corporation shall to the fullest extent permitted or required by the Wisconsin Business Corporation Law, including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the Corporation to provide broader indemnification rights than prior to such amendment), indemnify its Directors and officers against any and all liabilities, and advance any and all reasonable expenses, incurred thereby in any proceedings to which any such Director or officer is a Party because he or she is or was a Director or officer of the Corporation. The Corporation shall also indemnify an employee who is not a Director or officer to the same extent as provided by the Corporation to its Directors and officers. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against liabilities or the advancement of expenses which a Director, officer or employee may be entitled to under any written agreement, Board of Directors resolution, vote of shareholders, the Wisconsin Business Corporation Law or otherwise. All capitalized terms used in this Article V and not otherwise defined shall have the meaning set forth in Section 180.0850 of the Wisconsin Business Corporation Law.

ARTICLE VI

SHARES AND THEIR TRANSFER

Section 1. Certificates for Stock. The Board of Directors hereby authorizes the issuance of any class or series of shares of the Corporation without certificates to the full extent that the Secretary determines that such issuance is allowed by applicable law and the rules of the securities exchange upon which the Corporation's shares are traded. Any such determination shall be conclusively evidenced by the Secretary delivering to the Corporation's transfer agent and registrar written instructions that refer to this By-Law to issue any such shares without certificates. In any event, the foregoing authorization does not affect shares already represented by certificates until the certificates are surrendered to the Corporation. No book entry or certificate shall be made or issued for partly paid shares.

Section 2. Stock Certificate Signature. Any certificate for such stock shall be numbered in the order in which it is issued and shall be signed by the Chairman of the Board, if any, or the President and the Secretary or Treasurer of the Corporation and its seal shall be affixed thereto. If such certificate is countersigned (1) by a transfer agent other than the Corporation or its employee, or (2) by a registrar other than the Corporation or its employee, the signatures of such officers of the Corporation may be facsimiles. In case any officer of the Corporation who has signed, or whose facsimile signature has been placed upon, any such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer at the date of issue.

Section 3. Stock Ledger. A record shall be kept by the Secretary or by any other officer, employee or agent designated by the Board of Directors of the name of each Person holding capital stock of the Corporation, the number of shares represented by, and the respective dates of, each certificate or book entry for such capital stock, and, in case of cancellation of any such certificate or book entry, the respective dates of cancellation.

Section 4. Cancellation. Every certificate surrendered to the Corporation for exchange or registration of transfer shall be cancelled, and no new certificate shall be issued or book entry made in exchange for any existing certificate until such existing certificate shall have been so cancelled, except, subject to Section 7 of this Article VI, in cases provided for by applicable law.

Section 5. Registrations of Transfers of Stock. Registrations of transfers of shares of the capital stock of the Corporation shall be made on the books of the Corporation by the registered holder thereof, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation or with a transfer clerk or a transfer agent appointed as in Section 6 of this Article VI, on surrender of the certificate or certificates for such shares properly endorsed or, in the case of shares issued in book entry form, upon written transfer instructions delivered by the registered holder thereof, and the payment of all taxes thereon. The Person in whose name shares of stock stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation.

Section 6. Regulations. The Board of Directors may make such rules and regulations as it may deem expedient, not inconsistent with the Articles of Incorporation or these By-Laws, concerning the issue, transfer and registration of shares of the stock of the Corporation. It may appoint, or authorize any principal officer or officers to appoint, one or more transfer clerks or one or more transfer agents and one or more registrars, and may require certificates of stock, if any, to bear the signature or signatures of any of them.

Section 7. Lost, Stolen, Destroyed or Mutilated Certificates. Before any book entry is made or, if applicable, any certificate is issued for stock of the Corporation in exchange for a certificate that has been mutilated or lost, stolen or destroyed, proper evidence of such loss, theft, mutilation or destruction shall be procured for the Board of Directors, if it so requires.

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Section 8. Record Dates. For the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a date as a record date for any such determination of shareholders. Such record date shall not be more than sixty or less than ten days before the date of such meeting, or more than sixty days prior to any other action.

## ARTICLE VII

### MISCELLANEOUS PROVISIONS

Section 1. Corporate Seal. The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall bear the name of the Corporation and words and figures showing that it was incorporated in the State of Wisconsin in the year 1992. The Secretary shall be the custodian of the seal. The Board of Directors may authorize a duplicate seal to be kept and used by any other officer.

Section 2. Voting of Stocks Owned by the Corporation. The Board of Directors may authorize any Person on behalf of the Corporation to attend, vote and grant proxies to be used at any meeting of shareholders of any corporation (except the Corporation) in which the Corporation may hold stock.

Section 3. Dividends. Subject to the provisions of the Wisconsin Business Corporation Law and the Articles of Incorporation, the Board of Directors may, out of funds legally available therefor, at any regular or special meeting declare dividends upon the capital stock of the Corporation as and when they deem expedient. Before declaring any dividend there may be set apart out of any funds of the Corporation available for dividends such sum or sums as the Directors from time to time in their discretion deem proper for working capital or as a reserve fund to meet contingencies or for equalizing dividends or for such other purposes as the Board of Directors shall deem conducive to the interests of the Corporation.

## ARTICLE VIII

### AMENDMENTS

These By-Laws of the Corporation may be altered, amended or repealed (a) by the Board of Directors at any regular or special meeting of the Board of Directors or (b) by the shareholders at a meeting of shareholders or by a consent in writing in the manner contemplated in Section 11 of Article II if the votes cast favoring the proposed alteration, amendment or repeal exceed the votes cast opposing the proposed alteration, amendment or repeal, provided, however, that notice of the proposed alteration, amendment or repeal is contained in the notice of such meeting. By-Laws, whether made or altered by the shareholders or by the Board of Directors, shall be subject to alteration or repeal by the shareholders as in this Article VIII.



**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 4), on the earlier of: (a) the first anniversary of the Grant Date; or (b) 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](http://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](http://www.netbenefits.fidelity.com), this Award will be forfeited and immediately terminate.**

**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"), has granted you an award of Restricted Stock Units (the "Award") entitling you to receive such number of shares of Company common stock (the "Shares") as set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this "Agreement"), the Award Memorandum 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 Provisions.** 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 4), on the vesting date as set forth in the Award Memorandum.
3. **Termination of Award.**
  - (a) Your Award shall terminate in all events on the earlier of (i) the date upon which vesting is no longer permitted pursuant to subsection 3(b) of this Agreement or (ii) 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.
  - (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 or Disability, this Award will vest in full and all of the Shares subject hereto shall be immediately issuable; and provided, further, that 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) If a Change of Control of the Company occurs, the provisions of Section 17(c) of the Plan shall apply to this Award.
  - (d) The Company will have no further obligations to you under this Award if the Award terminates as provided herein.
4. **Deferral.** You may elect, no later than the date set forth in the deferral election form for the Award, 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.
5. **Issuance of Shares.** Subject to Section 4, 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. The Shares will be issued and delivered in book entry form, and the Company will not be liable for damages relating to any delays in making an appropriate book entry or any mistakes or errors in the making of the book entry; provided that the Company shall correct any errors caused by it. Any such book entry will be subject to such stop transfer orders and other restrictions as the Company may deem advisable under (a) the Plan and any agreement between you and the Company with respect to this Award or the Shares, (b) any applicable federal or state laws, and/or (c) the rules, regulations and other requirements of the Securities and Exchange Commission ("SEC") or any stock exchange upon which the Shares are listed. The Company may cause an appropriate book entry notation to be made with respect to the Shares to reference any of the foregoing restrictions.

6. **Non-Transferability of Award.** Except as provided in the Plan, this Agreement and the Award Memorandum, 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 the 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.
7. **Conditions to Issuance of Shares.** The Shares issued 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 SEC 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 vesting of the Award 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.
8. **Dividends; No Rights as Shareholder.** If the Company declares a cash dividend and the dividend record date occurs prior to the date the Award vests, 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 (a) the amount of cash dividends payable with respect to a number of shares of stock equal to your Restricted Stock Units divided by (b) the Fair Market Value of a Share on the date the dividend is paid. These additional Restricted Stock Units will be subject to the same terms and conditions as the Restricted Stock Units with respect to which the dividend equivalents were credited. Until this Award 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 8, the right to receive dividends or any other distributions paid with respect to shares of Company common stock by virtue of this Award or the Shares subject hereto.
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.**

- (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 SEC. 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 and that upon the acquisition of any Shares subject to this Award, you will make or enter into such written representations, warranties and agreements as the Company may reasonably request to comply with applicable securities laws or this Agreement.
- (b) You represent and warrant that you understand the federal, state and local income 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. Unless required by law, 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.

12. **Market Stand-Off.** The Company reserves the right to impose restrictions on dispositions in connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended. Upon receipt of written notice from the Company of a trading restriction, you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Award without the prior written consent of the Company. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.

13. **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, the Plan and the deferral election form for the Award, if any, 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) Any remedies available to the Company under the Plan or this Agreement are cumulative and are in addition to, and are not affected by, the other rights and remedies available to the Company under the Plan, this Agreement, by law or otherwise
- (f) 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.
- (g) 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](http://www.netbenefits.fidelity.com)) in the "forms library" and a paper copy is available upon request.
- (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.

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- (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 the terms of, 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.**

**RESTRICTED STOCK UNIT AWARD MEMORANDUM –  
EMPLOYEE**

**Employee:** [FIRST NAME] [LAST NAME]

**Grant Date:** [GRANT DATE]

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

**Vesting Schedule:**

<u>Number of Shares Subject to Award:</u>	<u>Date Vested</u>
1/3 of Shares Subject to Award	2nd anniversary of Grant Date
1/3 of Shares Subject to Award	3rd anniversary of Grant Date
1/3 of Shares Subject to Award	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](http://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](http://www.netbenefits.fidelity.com), this Award will be forfeited and immediately terminate.**

**Note: Section 4(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.**

## 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 set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this "Agreement"), the Award Memorandum 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 as indicated in the Award Memorandum, and, subject to any deferral election then in effect, the Shares subject to this Award will be issued as indicated in this Agreement.
3. **Termination of Award.** Your Award shall terminate in all events on the earlier of (a) the date upon which vesting is no longer permitted pursuant to Section 5 of this Agreement or (b) 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.
4. **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 4, 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.
- (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 4 is necessary to protect the Company, and that a breach of any of this Section 4 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 4, 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 4, or to enjoin you from performing services in breach of Section 4(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 4, 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 4 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.

5. **Termination of Employment.**

- (a) *Vesting.* If you cease to be an employee of 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 5, “**Retirement**” means the cessation of service as an employee for any reason other than death, Disability or termination for Cause and (A) 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) you are at 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) *Change of Control.* 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 4 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 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) *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.
- (d) *No Further Obligation.* The Company will have no further obligations to you under this Award if the Award terminates as provided herein.

6. **Deferral of Restricted Stock Units.** If you are eligible to, and properly elect to, defer delivery of all or part of the Shares otherwise issuable under this Award, such deferral will be governed by the Restricted Stock Unit Deferral Election Form executed by you separately from this Agreement.

7. **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 the Deferral Election Form; 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. The Shares will be issued and delivered in book entry form, and the Company will not be liable for damages relating to any delays in making an appropriate book entry or any mistakes or errors in the making of the book entry; provided that the Company shall correct any errors caused by it. Any such book entry will be subject to such stop transfer orders and other restrictions as the Company may deem advisable under (a) the Plan and any agreement between you and the Company with respect to this Award or the Shares, (b) any applicable federal or state laws, and/or (c) the rules, regulations and other requirements of the Securities and Exchange Commission ("SEC") or any stock exchange upon which the Shares are listed. The Company may cause an appropriate book entry notation to be made with respect to the Shares to reference any of the foregoing restrictions.

8. **Non-Transferability of Award.** Except as provided in the Plan, this Agreement and the Award Memorandum, 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.
9. **Conditions to Issuance of Shares.** The Shares issued 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 SEC 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 a deferral election as the Compensation Committee may establish from time to time for reasons of administrative convenience (provided that any such period shall be in compliance with Code Section 409A); 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.
10. **Dividends; No Rights as Shareholder.** If the Company declares a cash dividend and the dividend record date occurs prior to the date the Award vests, 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 (a) the amount of cash dividends payable with respect to a number of shares of stock equal to your Restricted Stock Units divided by (b) the Fair Market Value of a Share on the date the dividend is paid. These additional Restricted Stock Units will be subject to the same terms and conditions as the Restricted Stock Units with respect to which the dividend equivalents were credited. Until this Award 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 10, the right to receive dividends or any other distributions paid with respect to shares of Company common stock by virtue of this Award or the Shares subject hereto.
11. **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.

12. **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.
13. **Securities and Tax 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 SEC. 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 and that upon the acquisition of any Shares subject to this Award, you will make or enter into such written representations, warranties and agreements as the Company may reasonably request to comply with applicable securities laws or this Agreement.
  - (b) 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 understand and agree that when this Award vests and Shares are issued, and you thereby realize gross income (if any) taxable as compensation in respect of such vesting or issuance, 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 vesting. 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 compensation income in relation to the Award or make other arrangements satisfactory to the Company regarding such amounts. All matters with respect to the total amount to be withheld shall be determined by the Company in its sole discretion.
14. **Market Stand-Off.** The Company reserves the right to impose restrictions on dispositions in connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended. Upon receipt of written notice from the Company of a trading restriction, you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Award without the prior written consent of the Company. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.
15. **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, the Plan and the Restricted Stock Unit Deferral Election Form, if any, 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.

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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) Any remedies available to the Company under the Plan or this Agreement are cumulative and are in addition to, and are not affected by, the other rights and remedies available to the Company under the Plan, this Agreement, by law or otherwise.
  - (f) 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.
  - (g) 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](http://www.netbenefits.fidelity.com)) in the "forms library" and a paper copy is available upon request.
  - (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.**

**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](http://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](http://www.netbenefits.fidelity.com), this Award will be forfeited and immediately terminate.

**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 to purchase such number of shares of Company Common Stock (the "Option Shares") as set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this "Agreement"), the Award Memorandum 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; 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 Option Shares shall expire and terminate in all events on the earliest 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. **Vesting; 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](http://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, and make 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 13 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 the exercise periods described in subsections (i) and (ii) above, 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 and: (A) 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) you are at 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 you were 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.
  - (f) *No Further Obligation.* The Company will have no further obligation to you under this Agreement if the Option ceases to become exercisable as provided herein.
7. **Issuance of Shares.** The Company, or its transfer agent, will issue and deliver the Option Shares to you as soon as practicable after you exercise any part of the Option and pay the Exercise Price Per Option Share and all applicable related withholding taxes, if any. If you die before the Company has distributed any portion of the Option Shares purchased upon exercise, the Company will issue the Option Shares to your estate or in accordance with applicable laws of descent and distribution. The Option Shares will be issued in book entry form, and the Company will not be liable for damages relating to any delays in making an appropriate book entry or any mistakes or errors in the making of the book entry; provided that the Company shall correct any errors caused by it. Any such book entry will be subject to such stop transfer orders and other restrictions as the Company may deem advisable under (a) the Plan and any agreement between you and the Company with respect to the Option Shares, (b) any applicable federal or state laws, and/or (c) the rules, regulations and other requirements of the Securities and Exchange Commission ("SEC") or any stock exchange upon which the Option Shares are listed. The Company may cause an appropriate book entry notation to be made with respect to the Option Shares to reference any of the foregoing restrictions.
8. **Non-Transferability of Award.** Except as provided in the Plan, this Agreement and the Award Memorandum, until the Option Shares have been purchased upon exercise of any part of this Option, this Option and the Option Shares issuable upon exercise 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 Option, 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 Option and the rights and privileges conferred hereby shall immediately become null and void.



9. **Conditions to Issuance of Shares.** The Option Shares issued to you hereunder upon exercise and purchase 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 Option Shares hereunder prior to fulfillment of all of the following conditions: (a) the admission of such Option 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 Option Shares under any state or federal law or under the rulings or regulations of the SEC 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 exercise of the Option 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.
10. **No Rights as Shareholder.** Until you exercise any part of this Option, purchase Option Shares and the Option Shares are issued to you, you shall have no rights as a shareholder of the Company with respect to the Option Shares. Specifically, you understand and agree that you do not have voting rights or the right to receive dividends or any other distributions paid with respect to shares of Company common stock by virtue of this Option or the Option Shares subject hereto.
11. **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.
12. **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.
13. **Securities and Tax 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 SEC. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan, this Agreement, the exercise of the Option and any disposition of the Option Shares, and that upon the acquisition of any Option Shares, you will make or enter into such written representations, warranties and agreements as the Company may reasonably request to comply with applicable securities laws or this Agreement.
  - (b) You represent and warrant that you understand the federal, state and local income tax consequences of the granting of the Option, the exercise of the Option, the purchase of Option Shares, and the subsequent sale or other disposition of any Option Shares. Unless required by law, the Company will not withhold any federal, state or local income taxes in connection with the 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.
14. **Market Stand-Off.** The Company reserves the right to impose restrictions on dispositions in connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended. Upon receipt of written notice from the Company of a trading restriction, you agree that you shall not directly or

indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Option Shares acquired under this Option without the prior written consent of the Company. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.

15. **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) Any remedies available to the Company under the Plan or this Agreement are cumulative and are in addition to, and are not affected by, the other rights and remedies available to the Company under the Plan, this Agreement, by law or otherwise.
- (f) 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.
- (g) 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](http://www.netbenefits.fidelity.com)) in the "forms library" and a paper copy is available upon request.
- (h) During your lifetime, the Option may only be exercised by you or your legal representatives.
- (i) 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.
- (j) You understand that, under the terms of the Plan, this Agreement and the Award Memorandum, the Company may cancel or rescind the Option and/or the Option 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 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.**

**STOCK OPTION AWARD MEMORANDUM –  
EMPLOYEE**

**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](http://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](http://www.netbenefits.fidelity.com), this Award will be forfeited and immediately terminate.**

**Note: Section 5(c) of the Employee Stock Option 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.**

## 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 to purchase such number of shares of Company Common Stock (the “Option Shares”) as set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this “Agreement”), the Award Memorandum 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; 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 Option Shares shall expire and terminate in all events on the earliest 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. **Vesting; 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](http://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, and make 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 of the Termination Event 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, Disability, or 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 and (A) 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) 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 the exercise periods described in subsections (i) and (ii) above, 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. 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.
- (g) *No Further Obligation.* The Company will have no further obligations to you under this Agreement if the Option ceases to become exercisable as provided herein.
8. **Issuance of Shares.** The Company, or its transfer agent, will issue and deliver the Option Shares to you as soon as practicable after you exercise any part of the Option and pay the Exercise Price Per Option Share and all related withholding taxes. If you die before the Company has distributed any portion of the Option Shares purchased upon exercise, the Company will issue the Option Shares to your estate or in accordance with applicable laws of descent and distribution. The Option Shares will be issued in book entry form, and the Company will not be liable for damages relating to any delays in making an appropriate book entry or any mistakes or errors in the making of the book entry; provided that the Company shall correct any errors caused by it. Any such book entry will be subject to such stop transfer orders and other restrictions as the Company may deem advisable under (a) the Plan and any agreement between you and the Company with respect to the Option Shares, (b) any applicable federal or state laws, and/or (c) the rules, regulations and other requirements of the Securities and Exchange Commission (“SEC”) or any stock exchange upon which the Option Shares are listed. The Company may cause an appropriate book entry notation to be made with respect to the Option Shares to reference any of the foregoing restrictions.



9. **Non-Transferability of Award.** Except as provided in the Plan, this Agreement and the Award Memorandum, until the Option Shares have been purchased upon exercise of any part of this Option, this Option and the Option Shares issuable upon exercise 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 Option, 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 Option and the rights and privileges conferred hereby shall immediately become null and void.
10. **Conditions to Issuance of Shares.** The Option Shares issued to you hereunder upon exercise and purchase 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 Option Shares hereunder prior to fulfillment of all of the following conditions: (a) the admission of such Option 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 Option Shares under any state or federal law or under the rulings or regulations of the SEC 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 exercise of the Option 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.
11. **No Rights as Shareholder.** Until you exercise any part of this Option, purchase Option Shares and the Option Shares are issued to you, you shall have no rights as a shareholder of the Company with respect to the Option Shares. Specifically, you understand and agree that you do not have voting rights or the right to receive dividends or any other distributions paid with respect to shares of Company common stock by virtue of this Option or the Option Shares subject hereto.
12. **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.
13. **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.
14. **Securities and Tax 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 SEC. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan, this Agreement, the exercise of the Option and any disposition of the Option Shares, and that upon the acquisition of any Option Shares, you will make or enter into such written representations, warranties and agreements as the Company may reasonably request to comply with applicable securities laws or this Agreement.
  - (b) You represent and warrant that you understand the federal, state and local income and employment tax consequences of the granting of the Option, the exercise of the Option, the 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 or Option Shares equal in value 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 compensation income in relation to the Option Shares or make other arrangements satisfactory to the Company regarding such amounts. 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 Company in its sole discretion.

15. **Market Stand-Off.** The Company reserves the right to impose restrictions on dispositions in connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended. Upon receipt of written notice from the Company of a trading restriction, you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Option Shares acquired under this Option without the prior written consent of the Company. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.
16. **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.
  - (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) Any remedies available to the Company under the Plan or this Agreement are cumulative and are in addition to, and are not affected by, the other rights and remedies available to the Company under the Plan, this Agreement, by law or otherwise.
  - (f) 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.
  - (g) 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](http://www.netbenefits.fidelity.com)) in the "forms library" and a paper copy is available upon request.
  - (h) During your lifetime, the Option may only be exercised by you or your legal representatives.
  - (i) 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.

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- (j) You understand that, under the terms of the Plan, this Agreement and the Award Memorandum, the Company may cancel or rescind the Option and/or the Option 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 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.**

## EMPLOYMENT AGREEMENT

This Agreement is made this 22<sup>nd</sup> day of December, 2008, by and between Fiserv, Inc., on behalf of itself and its subsidiaries and affiliates (“Company”) and Rahul Gupta (“Employee”).

WHEREAS, the Company and Employee entered into an Employment Agreement on November 21, 2006; and

WHEREAS, the Employee and the Company 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.

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 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 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 the Company in accordance with the Company’s stock ownership policy as in effect from time to time.
3. The term of this Agreement shall begin on the date first written above and shall continue until terminated by either party upon written notice to the other party (“Term”).
4. Employee hereby represents that he or she 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. In the event that this representation is not correct, Employee agrees to indemnify and hold the Company harmless from and against any claim made by another employer or company.
5. During the Employment Term, Employee shall devote substantially his full business time, 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 Fiserv. Employee hereby acknowledges that he or she has read Fiserv’s Code of Conduct in effect as of the date hereof, attached hereto as Exhibit A, and agrees that he or she will comply with such Code of Conduct and other Fiserv corporate policies regarding activities in the workplace, as they may be amended from time to time, in all material respects. Receipt of payments from former employers including Fidelity Investments and eFunds Corporation for past services that require no ongoing obligations of Employee shall not constitute a violation of the Code of Conduct.

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6. For all services to be rendered by Employee in any capacity during the term of this Agreement, 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 salary at a minimum rate of \$400,000 per year, commencing on his first day of employment, which is expected to be December 18, 2006, payable in accordance with the normal payroll practices and schedule of the Company. Beginning in February 2008 and thereafter, the Employee's direct supervisor ("Direct Supervisor") will determine Employee's salary at a level at least equal to Employee's salary in the previous year. To that end, Employee's Direct Supervisor will review annually the performance of Employee. The term "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, 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. If Employee shall not be employed by the Company on the date of payment of any incentive compensation hereunder, Employee shall not be entitled to any portion of any payment under the Management Bonus Plan or other incentive compensation program.

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

(i) As of the date of commencement of employment by Employee hereunder (December 18, 2006), Fiserv granted to Employee pursuant to the terms of the Fiserv, Inc. Stock Option and Restricted Stock Plan (the "Stock Option and Restricted Stock Plan"), an option to purchase 15,000 shares of Common Stock, \$.01 par value, of Fiserv ("Fiserv Common Stock"). The exercise price of such options equals the fair market value of Fiserv Common Stock as determined under the terms of the Stock Option and Restricted Stock Plan on the date of commencement of employment hereunder. 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.

(ii) On the date of commencement of employment hereunder (December 18, 2006), Employee received 6,950 shares of restricted stock under the terms of the Stock Option and Restricted Stock Plan and the restricted stock agreement covering such shares of restricted stock. Such shares of restricted stock shall vest on the fourth anniversary of the date of the commencement of employment hereunder.

(iii) On March 30, 2007, Employee received an option to purchase 17,425 shares of common stock and 2,356 shares of restricted stock.

(iv) To the extent 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 (or restricted stock units or other equity instruments issuable under the Stock Option and Restricted Stock Plan or any successor plan thereto) 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. All equity awards 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, or any successor plan thereto, and of the specific award agreement pursuant to which any such equity awards may be granted or issued from time to time.

The terms of the specific award agreement pursuant to which equity awards may be granted or issued hereunder shall govern treatment of such equity award in the event of the death or disability (as defined in any such agreement) of Employee. Such awards will also have vesting and other terms as specified in the award agreement covering such equity awards, which may be different than other employees of Fiserv.

(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 from time to time in effect for senior executives of the Company generally; 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 Fiserv policies and to action by the Board of Directors of Fiserv 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 a minimum of four (4) weeks paid vacation in accordance with the Company's standard vacation policies.

(f) 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 will 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 Fiserv Code of Conduct, as it may be amended from time to time, or other Fiserv 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 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) If Employee's employment is terminated by the Company for any reason other than as specified in subsection (a), (b) or (c) above or if terminated by Employee pursuant to the first sentence of subsection (d) above, subject to execution by Employee of a general release in favor of the Company, Employee shall be entitled to:

(i) receive a lump sum equal to twelve months of salary, at the salary rate in effect immediately prior to the notice of termination;

(ii) 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;

(iii) 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 twelve-month period; and

(iv) reimbursement by the Company to the Employee for any expenses incurred by the Employee for payment of COBRA premiums for one (1) year following the date of termination of his employment, or until the Employee obtains health care coverage through subsequent employment, whichever is earlier.

The payment due under subsection (f)(i) shall be paid to the Employee in a cash equivalent lump sum on the first day of the seventh month following the month in which the Employee's Separation from Service occurs, without interest thereon; provided that, if on the date of the Employee's Separation from Service, neither the Company nor any other entity that is considered a "service recipient" with respect to the Employee 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 Employee in a cash equivalent lump sum within ten (10) business days after the Employee's Separation from Service.

For purposes hereof, the term "Separation from Service" shall have the same meaning as ascribed to such term in the Employee's Key Executive Employment and Severance Agreement with the Company.

All other 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 or she 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 twenty-four (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 twenty-four (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 twenty-four (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 or she will have unique and extensive exposure to and contact with the Company's customers and employees, and that he or she will have had the opportunity to establish unique relationships that would enable him to compete unfairly against the Company. Moreover, Employee acknowledges that he or she 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, for a period of twelve months after the date of the termination of his employment, 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 Employee, with prior permission from the Company, such permission not to be unreasonably withheld, may seek employment in a business or activity listed in Exhibit C so long as the employment is not in an area that provides a Competing Product or Services and provided further 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.

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(c) Notwithstanding any other provision of this Agreement, this Section 8:

(i) Shall not bar Employee from all employment. Employee warrants and agrees that there are ample employment opportunities that he or she 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) 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 intentional 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. The Company shall be eligible to deduct and withhold from all compensation payable to Employee pursuant to this Agreement all amounts required to be deducted and withheld therefrom pursuant to any present or future law, regulation or ordinance of the United States of America or any state or local jurisdiction therein or any foreign taxing jurisdiction. In addition, if prior to the date of payment of the amount due under Section 7(f)(i) or other deferred compensation payments or benefits hereunder, the Federal Insurance Contributions Act (FICA) tax imposed under Sections 3101, 3121(a) and 3121(v)(2) of the Code, where applicable, becomes due with respect to any payment or benefit to be provided hereunder, the Company may provide for an immediate payment of the amount needed to pay Employee's portion of such tax (plus an amount equal to the taxes that will be due on such amount) and Employee's payment or benefits shall be reduced accordingly.

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

13. This Agreement shall be governed by and construed in accordance with the laws in the State of Wisconsin, 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 will 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 the Company and Fiserv and by Employee, and in compliance with Internal Revenue Code Section 409A.

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

EMPLOYEE:

/s/ Rahul Gupta

EMPLOYEE

RAHUL GUPTA

Printed Name

FISERV, INC.:

By: /s/ Jeffery W. Yabuki

Jeffery W. Yabuki

President and Chief Executive Officer

Title

## SUBSIDIARIES OF FISERV, INC.

<u>Name under which Subsidiary does Business</u>	<u>State (Country) of Incorporation</u>
BillMatrix Corporation	Delaware
Carreker Corporation	Delaware
Corillian Corporation	Oregon
CheckFree Corporation	Delaware
CheckFree Services Corporation	Delaware
CheckFree Solutions Limited	United Kingdom
CheckFreePay Corporation	Connecticut
Data-Link Systems, LLC	Wisconsin
Fiserv Automotive Solutions, Inc.	Delaware
Fiserv CIR, LLC	Delaware
Fiserv (Europe) Limited	United Kingdom
Fiserv Global Services, Inc.	Delaware
Fiserv PAR, Inc.	Wisconsin
Fiserv Solutions, Inc.	Wisconsin
Information Technology, Inc.	Nebraska
ITI of Nebraska, Inc.	Nebraska
USERS, LLC	Delaware
XP Systems Corporation	Minnesota

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement Nos. 333-64353, 333-04417, 333-28121, 333-34310, 333-145599, 333-143191, 333-147827, and 333-163636 on Form S-8 and Registration Statement Nos. 333-169358, 333-104270, and 033-58709 on Form S-3 of our reports dated February 24, 2012, relating to the financial statements of Fiserv, Inc. and subsidiaries (which report expresses an unqualified opinion and includes an explanatory paragraph related to the Company changing its method of presenting comprehensive income in 2011 due to the adoption of FASB Accounting Standards Update No. 2011-05, *Presentation of Comprehensive Income*, which has been applied retrospectively to all periods presented), 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, 2011.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin  
February 24, 2012

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 24, 2012

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 24, 2012

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, 2011 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 24, 2012

By: /s/ Thomas J. Hirsch  
Thomas J. Hirsch  
Executive Vice President, Chief  
Financial Officer, Treasurer and Assistant Secretary  
February 24, 2012