

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-C

REPORT BY ISSUER OF SECURITIES QUOTED ON NASDAQ
INTERDEALER QUOTATION SYSTEM

Filed pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934 and Rule 13a-17
or 15d-17 thereunder

CHECKFREE CORPORATION

(Exact name of issuer as specified in charter)

8275 North High Street, Columbus, Ohio 43235

(Address of principal executive offices)

Issuer's telephone number, including area code: (614) 825-3000

I. CHANGE IN NUMBER OF SHARES OUTSTANDING

Indicate any change (increase or decrease) of 5% or more in the number of
shares outstanding:

- 1. Title of security: Common Stock, \$.01 par value
- 2. Number of shares outstanding before the change: 38,454,223
- 3. Number of shares outstanding after the change: 41,276,548
- 4. Effective date of change: May 9, 1996
- 5. Method of change:

Specify method (such as merger, acquisition, exchange,
distribution, stock split, reverse split, acquisition of stock for treasury,
etc.)

Shares issued in connection with merger and stock purchase

Give brief description of transaction: ON MARCH 21, 1996,
CHECKFREE CORPORATION, A DELAWARE CORPORATION ("CHECKFREE"), ISC ACQUISITION
CORPORATION, AN OHIO CORPORATION AND A WHOLLY OWNED SUBSIDIARY OF CHECKFREE
("ISC ACQUISITION"), AND SECURITY APL, INC., AN ILLINOIS CORPORATION
("SECURITY"), ENTERED INTO AN AGREEMENT AND PLAN OF MERGER, DATED AS OF MARCH
21, 1996 (THE "MERGER AGREEMENT"), WHEREBY ISC ACQUISITION WOULD BE MERGED WITH
AND INTO SECURITY WITH SECURITY BEING THE SURVIVING ENTITY AS A WHOLLY OWNED
SUBSIDIARY OF CHECKFREE (THE "ACQUISITION"). UNDER THE TERMS OF THE MERGER
AGREEMENT, CHECKFREE AGREED TO ACQUIRE THE STOCK OF SERVANTIS IN EXCHANGE FOR
COMMON STOCK, \$.01 PAR VALUE, OF CHECKFREE (THE "COMMON STOCK"). THE
ACQUISITION WAS COMPLETED ON MAY 9, 1996. THE TOTAL CONSIDERATION PAID BY
CHECKFREE WAS \$53,307,815. PURSUANT TO THE TERMS OF THE MERGER AGREEMENT,
2,805,652 SHARES OF THE COMMON STOCK WERE ISSUED BASED UPON A NEGOTIATED STOCK
PRICE OF \$19.00 PER SHARE.

IN ADDITION, CHECKFREE ENTERED INTO A STOCK PURCHASE AGREEMENT, DATED
AS OF MAY 8, 1996, AMONG CHECKFREE AND THE SHAREHOLDERS OF BOW TIE SYSTEMS,
INC., AN ILLINOIS CORPORATION ("BOW TIE"). THE STOCK PURCHASE WAS COMPLETED ON

MAY 9, 1996. THE TOTAL CONSIDERATION PAID BY CHECKFREE WAS \$316,901. PURSUANT TO THE STOCK PURCHASE AGREEMENT, 16,673 SHARES OF COMMON STOCK WERE ISSUED, BASED ON A NEGOTIATED STOCK PRICE OF \$19.00 PER SHARE.

II. CHANGE IN NAME OF ISSUER

1. Name prior to change _____
2. Name after change _____
3. Effective date of charter amendment changing name _____
4. Date of shareholder approval of change, if required _____

CHECKFREE CORPORATION

Date: May 13, 1996

By: /s/ Mark A. Johnson

Mark A. Johnson, Executive Vice President