

Fiserv Survey: Bankers Know Payment System Challenges, Less Sure on Solutions



For more information contact:
Julie Keaton
Public Relations Manager
Fiserv Financial Institutions Group
678-375-3744
julie.keaton@fiserv.com

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Survey finds interest in, but uncertainty about, emerging payments hub technologies

Brookfield, Wis., August 12, 2008 – CheckFree, now part of Fiserv, Inc. (NASDAQ: FISV), a leading provider of information technology services to the financial industry, today announced the results of a survey conducted at its recent 2008 CheckFree Software Customer Conference in Nashville, Tenn., which drew more than 200 treasury, operations and technology executives and managers from banks across the United States.

The Fiserv/CheckFree survey found the most frequently cited concerns related to payments processing were International ACH Transaction (IAT) compliance, changes in services offered by the Federal Reserve Bank, rising electronic payment exception volume and cross-channel payment adjustments and exceptions. According to survey results, bank executives responsible for managing payment systems agree that capturing information across multiple payment channels is a big challenge. But there is no consensus on when and how “payments hub” technology will be ready to meet the challenge of managing and reporting on all payments across those different channels.

What is a payments hub? Bankers who work in payments disagreed on the definition. 60 percent said it’s a fully integrated common platform for managing all payments processes; 20 percent view a payments hub as a reporting tool that overlays existing payment systems; while 10 percent believe it entails using disparate technologies within one staffing center. The remaining 15 percent had yet other definitions.

Despite differing definitions, some 85 percent of survey respondents agreed that gathering and compiling information across multiple payment systems is difficult within their organization. But nearly half of respondents – 45 percent – said they were not familiar with the concept of a payments hub, an emerging solution for processing all payment types using standardized business rules, routing logic and exception management.

“Bankers who manage payment systems are faced with challenges from compliance issues to handling rising volumes of disputes across all electronic payment systems,” said Tom Warsop, group president of the Fiserv Financial Institutions Group. “Fiserv’s customers, who represent a broad cross section of U.S financial institutions,

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are keenly aware of the difficulties of managing multiple payment systems. Our survey shows that many bankers recognize the value that payments hubs can deliver, but need to learn more about solutions that can enable them to better view, monitor, notify and report financial information within and across different payments types.”

Twenty-five percent of survey respondents agreed with the statement that a payments hub is “a solution whose time has come,” while 15 percent, viewed payments hubs as “an appealing idea, but the technology is not yet available.” The largest group – some 45 percent – said they wanted to learn more before commenting on the promise of payment hubs.

During the CheckFree Software Conference, customers participated in a variety of sessions to learn more about CheckFree payments processing solutions including PEP+[®] ACH processing; AML Advisor, CheckFree’s solution to address OFAC compliance for IAT transactions; All Transactions File[™], a transaction warehouse used as a system-of-record for payments data; Adjustments/Express[™] for dispute resolution and PaymentView[™], a comprehensive, web-based payments monitoring system. Participants also had the opportunity to hear from industry experts on topics such as payments hubs, the Federal Reserve’s strategy on the discontinuation of payor services and payments convergence.

About Fiserv, Inc.

Fiserv, Inc. (NASDAQ: FISV), a Fortune 500 company, provides information management and electronic commerce systems and services to the financial and insurance industries. Leading services include transaction processing, outsourcing, electronic bill payment and presentment, investment management solutions, business process outsourcing (BPO), software and systems solutions. Headquartered in Brookfield, Wis., the company is the leading provider of core processing solutions for U.S. banks, credit unions and thrifts. Fiserv was ranked the largest provider of information technology services to the financial services industry worldwide in the 2004, 2005 and 2006 FinTech 100 surveys. In 2007, the company completed the acquisition of CheckFree (www.checkfree.com), a leading provider of electronic commerce services. Fiserv reported nearly \$4 billion in total revenue from continuing operations for 2007. For more information, please visit www.fiserv.com.

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Fiserv Corporate Contact:

Lori Stafford-Thomas

Assistant Vice President Corp. External Comm.

Fiserv, Inc.

262-879-5130

Lori.stafford@fiserv.com