

August 30, 2010



Fiserv Launches New Revenue Expansion Program for Financial Institutions

Revenue Expansion provides clients with solutions to meet consumer needs while addressing impact of new regulations

BROOKFIELD, Wis.--(BUSINESS WIRE)-- [Fiserv, Inc.](#) (NASDAQ: FISV), the leading global provider of financial services technology solutions, today unveiled the Revenue Expansion program, a solutions roadmap designed specifically to help banks and credit unions impacted by Regulation E.

On Nov. 12, 2009, the Federal Reserve Board published a final rule under Regulation E that prohibits financial institutions from [charging overdraft fees](#) for ATM or one-time debit card transactions, unless a consumer opts-in to the overdraft service.

The Overdraft Protection Rule, which took effect on July 1, 2010, stands to impact the profitability of many depository institutions. According to Patricia Hewitt, director, Debit Advisory Services, Mercator Advisory Group, U.S. overdraft fees generate an estimated \$30 billion annually. Fiserv models project that between 20 to 50 percent of overdraft fee income associated with electronic transactions are at risk.

In this new regulatory environment, banks and credit unions need to create a strategy to comply, and use it as an opportunity to deepen their consumer relationships, develop innovative product offerings and create a competitive advantage. To achieve these goals, Fiserv created Revenue Expansion as a highly differentiated program with new products, services and support to meet consumer needs while addressing the impact of regulatory and economic changes.

"Financial institutions must act to address the new realities of deposit economics and find sustainable revenue sources that will replace lost fee income," said Hewitt. "Many financial institutions that don't have the resources to create and implement an overall strategy to address the new regulatory environment, will find a program such as the one Fiserv has created very valuable."

Fiserv has identified three areas of focus for the Revenue Expansion Roadmap: New Deposit Products, Consumer Liquidity Products, and Cross-Sell, Loyalty and Retention Products.

New Deposit Products provide financial institutions with the ability to present creative new offerings to consumers. These products include alternatives to free checking such as incentive or rewards-based checking; relationship or activity-based pricing; card based initiatives such as consolidating PIN networks; increasing debit card penetration, activation

and usage; and new consumer payments alternatives such as expedited electronic bill payment and person-to-person payments.

Short-Term Consumer Liquidity Solutions directly address the potential impact from Reg E. For consumers who "opt in," financial institutions can implement dynamic overdraft threshold strategies determined on an account-by-account basis that provide consumers with overdraft limits that match their capability to repay. For consumers who "opt out," financial institutions may offer a small dollar, short-term loan for which qualification is based on deposit history rather than credit score.

Cross-Sell, Loyalty and Retention Products, including card rewards, relationship rewards, incentive-checking products and relationship pricing, can drive consumer behavior and encourage long-term retention and greater product usage. Implementing predictive analytical technologies can help financial institutions predict what product or service a consumer will want next, which can increase revenues significantly and increase consumer loyalty and reduce attrition.

To learn more about the regulatory, economic, social and technological changes occurring in the industry, download "Headlights into 2011: U.S. Financial Regulatory Reform a Game Changer for Financial Services" from Fiserv. In addition, George Noga, senior vice president of Revenue Enhancement Solutions, Fiserv, discusses Revenue Expansion in a free video from the [Fiserv Boardroom Series](#), a unique thought leadership community, designed exclusively for Fiserv clients providing business insights, market trends and research data to help clients plan for their future. Fiserv clients may sign up for a complimentary membership in the Boardroom Series at <http://communities.fiserv.com>.

About Fiserv

Fiserv, Inc. (NASDAQ: FISV) is the leading global provider of information management and electronic commerce systems for the financial services industry, driving innovation that transforms experiences for financial institutions and their customers. Fiserv is ranked No. 1 on the FinTech 100 survey of top technology partners to the financial services industry. For more information, visit www.fiserv.com.

FISV-G

Source: Fiserv, Inc.