

FISERV INC  
Form PRE 14A  
March 30, 2012

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

**(Amendment No.    )**

Filed by the Registrant  Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**FISERV, INC.**

(Name of Registrant as Specified in Its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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(4) Date Filed:

255 Fiserv Drive

Brookfield, Wisconsin 53045

April 12, 2012

You are cordially invited to attend the annual meeting of shareholders of Fiserv, Inc., to be held at our corporate offices in Brookfield, WI on Wednesday, May 23, 2012 at 10:00 a.m. This is an important day on the Fiserv calendar, as it is an opportunity to review our financial results and strategic progress in providing our clients, and their customers, innovative technology products and services.

Information about the meeting and the matters on which shareholders will act is set forth in the accompanying Notice of Meeting and Proxy Statement. Following action on these matters, we will present a report on our business activities. We welcome your comments or inquiries about our business that would be of general interest to shareholders during the meeting.

We urge you to be represented at the annual meeting, regardless of the number of shares you own or whether you are able to attend the annual meeting in person, by voting as soon as possible. Shareholders can vote their shares via the Internet or telephone using the instructions set forth on the enclosed proxy card. You also may vote your shares by marking your votes on the enclosed proxy card, signing and dating it, and mailing it in the enclosed envelope.

Sincerely,

Jeffery W. Yabuki

President and Chief Executive Officer

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD MAY 23, 2012**

To the Shareholders of Fiserv, Inc.:

The annual meeting of shareholders of Fiserv, Inc. will be held at our corporate offices at 255 Fiserv Drive, Brookfield, Wisconsin 53045, on Wednesday, May 23, 2012, at 10:00 a.m. local time for the following purposes, which are set forth more completely in the accompanying proxy statement:

1. To elect two directors to serve for a three-year term expiring in 2015 and until their successors are elected and qualified.
2. To approve an amendment to our articles of incorporation that would eliminate the classified structure of our board of directors and provide for the annual election of directors as set forth in the amendment.
3. To approve performance goals and related matters under the Fiserv, Inc. 2007 Omnibus Incentive Plan.
4. To approve, on an advisory basis, the compensation of our named executive officers.
5. To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2012.
6. To transact such other business as may properly come before the annual meeting or any adjournments or postponements thereof. The board of directors has fixed the close of business on March 28, 2012 as the record date for determining shareholders entitled to notice of, and to vote at, the annual meeting and at any adjournments or postponements thereof.

In the event there are not sufficient votes for a quorum or to approve any of the foregoing proposals at the time of the annual meeting, the annual meeting may be adjourned or postponed in order to permit our further solicitation of proxies.

By order of the board of directors,

Charles W. Sprague

Secretary

April 12, 2012

**Important notice regarding the availability of proxy materials for the shareholder meeting to be held on May 23, 2012: The proxy statement and annual report to security holders are available at <http://www.proxyvote.com>.**

**Your vote is important. Our proxy statement is included with this notice. To vote your shares, please mark, sign, date and return your proxy card or vote by Internet or telephone as soon as possible. A return envelope is enclosed for your convenience if you vote by mail.**

## PROXY STATEMENT

### Annual Meeting

This proxy statement is furnished in connection with the solicitation on behalf of the board of directors of Fiserv, Inc., a Wisconsin corporation, of proxies for use at our annual meeting of shareholders, to be held on Wednesday, May 23, 2012 at 10:00 a.m. local time, or at any adjournment or postponement of the meeting. At the meeting, we will vote on the matters described in this proxy statement and in the accompanying notice. The annual meeting will be held at our corporate offices at 255 Fiserv Drive, Brookfield, Wisconsin 53045. If you need directions or have any other questions about attending the meeting, please call (262) 879-5000. We intend to mail this proxy statement and accompanying proxy card on or about April 12, 2012 to all shareholders entitled to vote at the annual meeting.

### Purposes of Annual Meeting

The annual meeting has been called for the purposes of: electing two directors to serve for a three-year term expiring in 2015; approving an amendment to our articles of incorporation that would eliminate the classified structure of our board of directors and provide for the annual election of directors as set forth in the amendment; approving the performance goals and related matters under the Fiserv, Inc. 2007 Omnibus Incentive Plan (the Incentive Plan ); approving, on an advisory basis, the compensation of our named executive officers; ratifying the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2012; and transacting such other business as may properly come before the annual meeting or any adjournments or postponements thereof.

### Solicitation of Proxies

We will pay the cost of soliciting proxies on behalf of the board of directors. In addition to the use of mail, our directors, officers and other employees may solicit proxies by personal interview, telephone or electronic communication. None of them will receive any special compensation for these efforts. We have retained the services of Georgeson Inc. ( Georgeson ) to assist us in soliciting proxies. Georgeson may solicit proxies by personal interview, mail, telephone or electronic communications. We expect to pay Georgeson its customary fee, approximately \$10,000, plus reasonable out-of-pocket expenses incurred in the process of soliciting proxies. We also have made arrangements with brokerage firms, banks, nominees and other fiduciaries to forward proxy materials to beneficial owners of shares. We will reimburse such record holders for the reasonable out-of-pocket expenses incurred by them in connection with forwarding proxy materials.

### Proxies

You should complete and return the accompanying form of proxy regardless of whether you attend the annual meeting in person. You may revoke your proxy at any time before it is exercised by: giving our corporate Secretary written notice of revocation; giving our corporate Secretary a properly executed proxy of a later date; or attending the annual meeting and voting in person; provided that, if your shares are held of record by a broker, bank or other nominee, you must obtain a proxy issued in your name from the record holder. Written notices of revocation and other communications with respect to the revocation of proxies should be addressed to Charles W. Sprague, Executive Vice President, General Counsel and Secretary, Fiserv, Inc., 255 Fiserv Drive, Brookfield, Wisconsin 53045.

The persons named as proxies in the accompanying proxy card have been selected by the board of directors and will vote shares represented by valid proxies. All shares represented by valid proxies received and not revoked before they are exercised will be voted in the manner specified in the proxies. If nothing is specified, the proxies will be voted: in favor of each of the board's nominees for director; in favor of the amendment to our articles of incorporation that would provide for the annual election of directors as set forth in the amendment; in favor of the performance goals and related matters under the Incentive Plan; in favor of the compensation of our named executive officers as disclosed in this proxy statement; and in favor of the ratification of Deloitte & Touche LLP as our independent registered public

accounting firm. Our board of directors is unaware of any other matters that may be presented for action at our annual meeting. If other matters do properly come before the annual meeting or any adjournments or postponements thereof, it is intended that shares represented by proxies will be voted in the discretion of the proxy holders. Proxies solicited hereby will be returned to the board of directors and will be tabulated by an inspector of election, who will not be an employee or director of Fiserv, Inc., designated by the board of directors.

### **Record Date and Required Vote**

The board of directors has fixed the close of business on March 28, 2012 as the record date for determining shareholders entitled to notice of, and to vote at, the annual meeting. On the record date, there were 137,288,472 shares of common stock outstanding and entitled to vote, and we had no other classes of securities outstanding. All of these shares are to be voted as a single class, and each holder is entitled to one vote for each share held of record on all matters submitted to a vote of shareholders. The presence, in person or by proxy, of at least a majority of the outstanding shares of common stock entitled to vote at the annual meeting will constitute a quorum for the transaction of business. Holders of shares that abstain from voting or that are subject to a broker non-vote will be counted as present for the purpose of determining the presence or absence of a quorum for the transaction of business. In the event there are not sufficient votes for a quorum or to approve any proposal at the time of the annual meeting, the annual meeting may be adjourned or postponed in order to permit the further solicitation of proxies.

Directors will be elected by a majority of votes cast at the annual meeting. A description of the majority voting provisions in our by-laws appears below under the heading *Election of Directors Majority Voting*. For each of Proposals 2, 3, 4 and 5 to be approved, the number of votes cast for the proposal must exceed the number of votes cast against the proposal. For each of these proposals, abstentions and broker non-votes will be entirely excluded from the vote and will have no effect on its outcome.

### **Voting**

Shareholders can appoint a proxy by: marking their vote on their proxy card, signing and dating it, and returning it promptly in the enclosed envelope, which requires no postage if mailed in the United States; calling a toll-free number in accordance with the instructions on their proxy card; or voting on-line in accordance with the instructions on their proxy card.

Shareholders who hold shares through a bank, broker or other record holder may vote by the methods that their bank or broker makes available, in which case the bank or broker will include instructions with this proxy statement. Shareholders voting via the Internet or by telephone will bear any costs associated with electronic or telephone access, such as usage charges from Internet access providers and telephone companies.

An individual who has a beneficial interest in shares of our common stock allocated to his or her account under the Fiserv, Inc. 401(k) savings plan may vote the shares of common stock allocated to his or her account. We will provide instructions to participants regarding how to vote. If no direction is provided by the participant about how to vote his or her shares, the trustee of the Fiserv, Inc. 401(k) savings plan will vote the shares in the same manner and in the same proportion as the shares for which voting instructions are received from other participants, except that the trustee, in the exercise of its fiduciary duties, may determine that it must vote the shares in some other manner.

### **Recent Corporate Governance Developments**

Our board of directors is committed to corporate governance best practices where the board of directors believes that the same are in the best interests of our shareholders. We have recently implemented, or are taking steps to implement, changes in our governance practices. Specifically, in February, our board of directors adopted amendments to remove the supermajority voting provisions contained in our by-laws. In addition, Proposal 2 in this proxy statement, if approved, would result in the declassification of our board of directors. We believe that these changes are consistent with the best practices that have been adopted by leading public companies and our shareholders' expectations.

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**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information with respect to the beneficial ownership of our common stock as of March 15, 2012 by: each current director and director nominee; each executive officer appearing in the Summary Compensation Table; all directors and executive officers as a group; and any person who is known by us to beneficially own more than 5% of the outstanding shares of our common stock based on our review of the reports regarding ownership filed with the Securities and Exchange Commission in accordance with Sections 13(d) and 13(g) of the Securities Exchange Act of 1934 (the Exchange Act ).

Name and Address of Beneficial Owner <sup>(1)</sup>	Number of Shares of Common Stock Beneficially Owned <sup>(2)</sup>	Percent of Class <sup>(3)</sup>
BlackRock, Inc. <sup>(4)</sup>  40 East 52nd Street  New York, New York 10022	7,134,839	5.2%
FMR, LLC  Edward C. Johnson 3d <sup>(5)</sup>  82 Devonshire Street  Boston, Massachusetts 02109	8,048,612	5.8%
T. Rowe Price Associates, Inc. <sup>(6)</sup>  100 E. Pratt Street  Baltimore, Maryland 21202	10,268,922	7.5%
The Vanguard Group, Inc. <sup>(7)</sup>  100 Vanguard Blvd.  Malvern, Pennsylvania 19355	7,880,488	5.7%
Jeffery W. Yabuki	1,188,647	*
Thomas J. Hirsch	208,086	*
Mark A. Ernst	15,434	*
Rahul Gupta	102,736	*
Thomas W. Warsop III	99,980	*
Donald F. Dillon	2,078,192	1.5%
Daniel P. Kearney	46,087	*
Peter J. Kight <sup>(8)</sup>	152,022	*
Denis J. O'Leary	24,570	*
Glenn M. Renwick	52,274	*
Kim M. Robak	39,567	*
Doyle R. Simons	22,295	*
Thomas C. Wertheimer	41,656	*
All directors and executive officers as a group (17 people)	4,593,306	3.3%

\* Less than 1%.

(1) Unless otherwise indicated, the address for each beneficial owner is care of Fiserv, Inc., 255 Fiserv Drive, Brookfield, Wisconsin 53045.

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- (2) All information with respect to beneficial ownership is based upon filings made by the respective beneficial owners with the Securities and Exchange Commission or information provided to us by such beneficial owners. Except as indicated in the footnotes to this table, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to community property laws.

Includes stock options, which, as of March 15, 2012, were exercisable currently or within 60 days: Mr. Yabuki 1,071,957; Mr. Hirsch 187,209; Mr. Gupta 86,700; Mr. Warsop 80,729; Mr. Dillon

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188,397; Mr. Kearney 31,671; Mr. Kight 83,152; Mr. O Leary 11,588; Mr. Renwick 22,693; Ms. Robak 29,998; Mr. Simons 12,009; Mr. Wertheimer 33,164; and all directors and executive officers as a group 2,108,806.

Includes shares of restricted stock subject to vesting: Mr. Dillon 151; Mr. Kearney 151; Mr. Renwick 151; Ms. Robak 151; Mr. Simons 125; Mr. Wertheimer 151; and all directors and executive officers as a group 880. The holders of the restricted stock have sole voting power, but no dispositive power, with respect to such shares.

Includes shares deferred under vested restricted stock units: Mr. Hirsch 4,976; Mr. Kearney 3,920; Mr. Kight 4,612; Mr. O Leary 3,134; Mr. Renwick 3,920; Ms. Robak 1,822; Mr. Simons 3,920; and all directors and executive officers as a group 26,304.

Includes shares eligible for issuance pursuant to the non-employee director deferred compensation plan: Mr. Kearney 6,724; Mr. O Leary 4,556; Mr. Renwick 6,356; Ms. Robak 1,877; Mr. Simons 5,741; and all directors as a group 25,254.

Mr. Dillon is a trustee of the Dillon Foundation which holds 133,750 shares of our common stock. Mr. Yabuki is a trustee of the Yabuki Family Foundation which holds 3,500 shares of our common stock. As a trustee, Mr. Dillon or Mr. Yabuki, as applicable, has voting and investment power over the shares held by the foundation. These shares are, accordingly, included in their respective reported beneficial ownership.

- (3) On March 15, 2012, there were 137,676,032 shares of common stock outstanding. Percentages are calculated pursuant to Rule 13d-3(d) under the Exchange Act. Shares not outstanding that are subject to options exercisable by the holder thereof within 60 days, shares deferred pursuant to vested restricted stock units and shares eligible for issuance pursuant to the non-employee director deferred compensation plan are deemed outstanding for the purposes of calculating the number and percentage owned by such shareholder but not deemed outstanding for the purpose of calculating the percentage of any other person.
- (4) Based on a Schedule 13G filed by BlackRock, Inc. ( BlackRock ) on February 9, 2012 with the Securities and Exchange Commission, which indicates that various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, these securities. According to the Schedule 13G, BlackRock exercises sole voting and dispositive power over all of these securities.
- (5) Based on a Schedule 13G filed jointly by FMR LLC ( FMR ) and Edward C. Johnson 3d ( Johnson ) on February 14, 2012 with the Securities and Exchange Commission, which indicates that various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, these securities. According to the Schedule 13G, FMR exercises sole voting power over 1,637,856 of the securities and FMR and Johnson exercise sole dispositive power over 8,048,612 of the securities.
- (6) Based on a Schedule 13G filed by T. Rowe Price Associates, Inc. ( Price Associates ) on February 13, 2012 with the Securities and Exchange Commission, which indicates that these securities are owned by various individual and institutional investors for which Price Associates serves as investment adviser with power to direct investments and/or sole power to vote the securities. According to the Schedule 13G, Price Associates exercises sole voting power over 2,018,028 of the securities and sole dispositive power over 10,268,922 of the securities. For purposes of the reporting requirements of the Exchange Act, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities.

- (7) Based on a Schedule 13G filed by The Vanguard Group, Inc. ( Vanguard Group ) on February 10, 2012 with the Securities and Exchange Commission, which indicates that the Vanguard Group exercises sole voting power and shared dispositive power over 198,056 of the securities and sole dispositive power over 7,682,432 of the securities. According to the Schedule 13G, Vanguard Fiduciary Trust Company ( VFTC ), a wholly-owned subsidiary of Vanguard Group, is the beneficial owner of 198,056 of the securities as a result of VFTC serving as investment manager of collective trust accounts and directing the voting of these securities.
- (8) Mr. Kight is retiring from our board when his term expires at the 2012 annual meeting.

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**MATTERS TO BE VOTED ON AT THE ANNUAL MEETING**

**PROPOSAL 1**

**ELECTION OF DIRECTORS**

**Our Board of Directors**

Our articles of incorporation currently provide for a board of directors that is divided into three classes. The terms for each class are three years, staggered over time. There are no family relationships among any of our directors or executive officers, and no nominee for director has been nominated pursuant to any agreement or understanding between us and any person.

All of the nominees for election as director at the annual meeting are incumbent directors. These nominees have consented to serve as a director if elected, and management has no reason to believe that any nominee will be unable to serve. Unless otherwise specified, the shares of common stock represented by the proxies solicited hereby will be voted in favor of the nominees proposed by the board of directors. In the event that any director nominee becomes unavailable for re-election as a result of an unexpected occurrence, shares will be voted for the election of such substitute nominee, if any, as the board of directors may propose. The affirmative vote of a majority of votes cast is required for the election of directors. A description of the majority voting provisions in our by-laws appears below under the heading *Majority Voting*.

**Nominees for Election**

Each person listed below is nominated for election to serve as a director until the annual meeting of shareholders in the year in which his or her term expires and until his or her successor is elected and qualified. **The board of directors recommends that you vote in favor of its nominees for director.**

***Three-year terms expiring in 2015***

**Daniel P. Kearney** (age 72) has been a director since 1999. Mr. Kearney is a financial consultant and served as Chief Investment Officer of Aetna, Inc. from 1991 to 1998. In 1995, he assumed the additional responsibility of President of Aetna's annuity, pension and life insurance division, retiring in 1998. Prior to joining Aetna, Mr. Kearney was President and Chief Executive Officer of the Resolution Trust Corporation Oversight Board. Before that, he was a principal at Aldrich, Eastman and Waltch, Inc., a Boston-based pension fund advisor. From 1977 to 1988, Mr. Kearney was with Salomon Brothers, Inc. as Managing Director of its Real Estate Financing Department and a founder of its Mortgage Securities Department, and from 1976 to 1977 he was Associate Director of the United States Office of Management and Budget. He served as President of the Government National Mortgage Association (Ginnie Mae) from 1974 to 1976, Deputy Assistant Secretary of the Department of Housing and Urban Development from 1973 to 1974, and as Executive Director of the Illinois Housing Development Authority from 1969 to 1973. Previously, he was in private law practice in Chicago, Illinois. In the past five years, in addition to Fiserv, Mr. Kearney served as a director of MGIC Investment Corporation (current), a publicly traded mortgage insurance company, and non-executive Chairman of MBIA, Inc. (current), a publicly traded financial guarantor. The board concluded that Mr. Kearney should be a director of the company because of his over 40 years of experience in the banking, insurance and legal industries. *Principal Occupation: Financial Consultant.*

**Jeffery W. Yabuki** (age 52) has been a director and our President and Chief Executive Officer since 2005. Before joining Fiserv, Mr. Yabuki served as Executive Vice President and Chief Operating Officer for H&R Block, Inc., a financial services firm, from 2002 to 2005. From 2001 to 2002, he served as Executive Vice President of H&R Block and from 1999 to 2001, he served as the President of H&R Block International. From 1987 to 1999, Mr. Yabuki held various executive positions with American Express Company, a financial services firm, including President and Chief Executive Officer of American Express Tax and Business Services, Inc. In

the past five years, in addition to Fiserv, Mr. Yabuki served on the board of directors of PetSmart, Inc. (former), a publicly traded specialty retailer of pet products and services, and MBIA, Inc. (former), a publicly traded financial guarantor. The board concluded that Mr. Yabuki should be a director of the company because he has extensive senior management experience at a number of large corporations and serves as the chief executive officer of the company. *Principal Occupation: President and Chief Executive Officer of Fiserv, Inc.*

#### **Continuing Directors**

##### *Continuing terms expiring in 2013*

**Kim M. Robak** (age 56) has been a director since 2003. Ms. Robak is a partner at Mueller Robak, LLC, a government relations firm. Previously, Ms. Robak was Vice President for External Affairs and Corporation Secretary at the University of Nebraska from 1999 to 2004. Ms. Robak served as the Lieutenant Governor of the State of Nebraska from 1993 to 1999, as Chief of Staff from 1992 to 1993, and as Legal Counsel from 1991 to 1992. Prior to 1991, Ms. Robak was a partner of the law firm Rembolt Ludtke Milligan and Berger. During her tenure in state government, she chaired the Governor's Information Resources Cabinet and led the Information Technology Commission of Nebraska. In the past five years, in addition to Fiserv, Ms. Robak served on the board of directors of UNIFI Mutual Holding Company (current), a provider of life insurance, annuities, and mutual funds; Union Bank & Trust Company (current), a financial institution; FBL Financial Group, Inc. (former), a publicly traded life insurance holding company; and First Ameritas Life Insurance Corporation of New York (former), a life insurance company. The board concluded that Ms. Robak should be a director of the company because she is an accomplished business person and community leader who brings a variety of experiences to the board through her work in the fields of law, government and technology. *Principal Occupation: Partner at Mueller Robak, LLC.*

**Doyle R. Simons** (age 48) has been a director since 2007. Mr. Simons served as the Chairman and Chief Executive Officer of Temple-Inland, Inc. from 2007 to early 2012. Prior to that, he served in a variety of other roles for Temple-Inland: from 2005 to 2007, he was Executive Vice President of Temple-Inland, Inc.; from 2003 to 2005, he served as its Chief Administrative Officer; from 2000 to 2003, he was Vice President Administration; and from 1994 to 2000, he served as Director of Investor Relations. In the past five years, in addition to Fiserv, Mr. Simons served on the board of directors of Temple-Inland, Inc., a formerly publicly traded manufacturing company focused on corrugated packaging and building products which was acquired in 2012. The board concluded that Mr. Simons should be a director of the company because he is an accomplished business person with diverse experiences in senior management and financial and legal matters. *Principal Occupation: Private Investor.*

**Thomas C. Wertheimer** (age 71) has been a director since 2003. Mr. Wertheimer is a Certified Public Accountant and a retired Senior Audit Partner of PricewaterhouseCoopers (PwC). He served as lead audit partner for a number of key multinational and national clients of PwC, including publicly held automotive manufacturing, financial services and retail companies. He also held technical accounting and audit quality positions including Director of Accounting, Auditing and SEC for the Midwest Region of Coopers & Lybrand. Mr. Wertheimer served on the Board of Partners at Coopers & Lybrand from 1995 until its merger with Price Waterhouse in 1998. From 2003 to 2007, he was a consultant to the Public Company Accounting Oversight Board, assisting in designing and executing its program of inspection of registered accounting firms. In the past five years, in addition to Fiserv, Mr. Wertheimer served on the board of directors of Vishay Intertechnology, Inc. (current), a publicly traded electronic component manufacturer, and Xinyuan Real Estate Co., Ltd. (current), a residential real estate developer in China. The board concluded that Mr. Wertheimer should be a director of the company because of his extensive knowledge of and experience in accounting, auditing and financial reporting matters. *Principal Occupation: Financial Consultant.*

*Continuing terms expiring in 2014*

**Donald F. Dillon** (age 72) has been Chairman of the board of directors since 2000. Mr. Dillon served as Vice Chairman of the board of directors from 1995 to 2000. In 1976, Mr. Dillon and an associate founded Information Technology, Inc. ( ITI ), a provider of banking software and services. ITI was acquired by Fiserv in 1995. From 1966 to 1976, Mr. Dillon was with the National Bank of Commerce, Lincoln, Nebraska and served as Senior Vice President Information Management Division. In the past five years, in addition to Fiserv, Mr. Dillon served as: a member of the Board of Trustees for the University of Nebraska (current); a member of the University of Nebraska's Directors Club (current); and the Chairman of the Board of Trustees of Doane College (former). The board concluded that Mr. Dillon should serve as the company's Chairman of the Board of Directors because, as the founder of ITI, he brings more than 40 years of experience in the financial and data processing industries. *Principal Occupation: Chairman of the Board of Directors of Fiserv, Inc.*

**Denis J. O Leary** (age 55) has been a director since 2008. In 2009, Mr. O Leary became managing partner of Encore Financial Partners, Inc., a company focused on the acquisition and management of banking organizations in the United States. From 2006 to 2009, he was a senior advisor to The Boston Consulting Group with respect to the enterprise technology, financial services, and consumer payments industries. Through early 2003, he spent 25 years at J.P. Morgan Chase & Company and its predecessors in various capacities, including Director of Finance, Chief Information Officer, Head of Retail Branch Banking, Managing Executive of Lab Morgan, and, from 1994 to 2003, Executive Vice President. In the past five years, in addition to Fiserv, Mr. O Leary has served on the board of directors of McAfee, Inc. (former), a formerly publicly traded supplier of computer security solutions, and Hamilton State Bancshares, Inc. (current), a privately held bank holding company. The board concluded that Mr. O Leary should be a director of the company because of his extensive knowledge of and experience in both the banking and information technology industries. *Principal Occupation: Managing Partner, Encore Financial Partners, Inc.*

**Glenn M. Renwick** (age 56) has been a director since 2001. Mr. Renwick is President and Chief Executive Officer of The Progressive Corporation. Before being named Chief Executive Officer in 2001, Mr. Renwick served as Chief Executive Officer Insurance Operations and Business Technology Process Leader from 1998 through 2000. Prior to that, he led Progressive's consumer marketing group and served as president of various divisions within Progressive. Mr. Renwick joined Progressive in 1986 as Auto Product Manager for Florida. In the past five years, in addition to Fiserv, Mr. Renwick served on the board of directors of The Progressive Corporation (current), a publicly traded property and casualty insurance company, and UnitedHealth Group Incorporated (current), a publicly traded provider of health insurance. The board concluded that Mr. Renwick should be a director of the company because he is an accomplished business leader with significant information technology experience. *Principal Occupation: President and Chief Executive Officer of The Progressive Corporation.*

**Majority Voting**

Our by-laws provide that each director will 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, other than a contested election. A majority of the votes cast means 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. In a contested election, each director will be elected by a plurality of the votes cast with respect to that director's election. Once our chairman of the board determines that a contested election exists in accordance with our by-laws, the plurality vote standard will apply at a meeting at which a quorum is present regardless of whether a contested election continues to exist as of the date of such meeting.

Our by-laws further provide that, in an uncontested election of directors, any nominee for director who is already serving as a director and receives a greater number of votes withheld from his or her election than votes for his or her election (a Majority Against Vote) will promptly tender his or her resignation. The nominating and

corporate governance committee of the board of directors will then promptly consider the resignation submitted by a director receiving a Majority Against Vote, and the committee will recommend to the board whether to accept the tendered resignation or reject it.

The board of directors will act on the committee's recommendation no later than 90 days following the date of the meeting during which the Majority Against Vote occurred. In considering the committee's recommendation, the board will consider the factors considered by the committee and such additional information and factors the board believes are relevant. Following the board's decision, we will promptly file a Current Report on Form 8-K with the Securities and Exchange Commission that sets forth the board's 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 committee recommendation or the board consideration regarding whether to accept the tendered resignation. Our by-laws set forth the procedure for acting if a majority of the members of the committee receive Majority Against Votes at the same election.

**PROPOSAL 2**

**APPROVAL OF AMENDMENT TO ARTICLES OF INCORPORATION**

**Current Classified Board Structure**

Article VII of our articles of incorporation and Section 2 of Article III of our by-laws divides our directors into three classes, with members of each class serving three-year terms of office. Consequently, at any annual meeting of shareholders, the shareholders have the ability to elect one class of directors, constituting approximately one-third of the entire board of directors.

**Amendment to Articles of Incorporation to Declassify our Board of Directors**

Our board of directors has approved, and recommends that our shareholders approve at the annual meeting, an amendment to our articles of incorporation that would eliminate the classified structure and provide for an annual election of directors. The amendment provides that directors who have been or will be elected to three-year terms prior to the annual meeting of shareholders held in 2013 will complete those terms. Beginning with the annual meeting of shareholders held in 2013, and at all annual meetings thereafter, directors whose terms are expiring will be subject to election for a one-year term expiring at the next annual meeting. As a result, directors whose terms expire in 2013, 2014 and 2015 will first be elected for one-year terms beginning in those respective years. Beginning with the 2015 annual meeting of shareholders, the entire board of directors will be elected annually.

**Rationale for Declassification**

In determining whether to propose declassification as described above, our board of directors carefully reviewed the various arguments for and against a classified board structure. Our board of directors recognizes that a classified structure may offer several advantages, such as promoting continuity and stability, encouraging directors to take a long-term perspective and reducing our vulnerability to coercive takeover tactics. The board of directors also recognizes, however, that a classified structure may appear to reduce directors' accountability to shareholders because such a structure does not enable shareholders to express a view on each director's performance by means of an annual vote. Our board of directors believes that implementing annual elections for all directors is consistent with our shareholders' expectations and our ongoing commitment to corporate governance best practices where the board of directors believes that the same are in the best interests of our shareholders. In view of the considerations described above, our board of directors has unanimously determined that it is in our and the shareholders' best interests to eliminate the classified structure as proposed.

**Text and Effectiveness of Amendment to Articles of Incorporation**

If shareholders approve the amendment to our articles of incorporation, Article VII of our articles of incorporation will be amended and restated in its entirety as set forth in Appendix A attached to this proxy statement. Under Wisconsin law, if shareholders approve the amendment, the amendment will become legally effective when we file articles of amendment with the Wisconsin Department of Financial Institutions, which we intend to do promptly following the annual meeting.

**Amendment to By-Laws**

Our board of directors has approved, subject to shareholder approval of the amendments to Article VII of our articles of incorporation, amendments to our by-laws that will conform provisions relating to the election of directors to those set forth in the proposed amended Article VII. The amendments to our by-laws do not require any shareholder action. If the shareholders do not approve the amendment to our articles of incorporation, then the conforming amendments to our by-laws will not take effect.

**Vote Required and Recommendation of the Board of Directors**

To approve the amendment to our articles of incorporation, the votes cast for the approval of the amendment to the articles of incorporation must exceed the votes cast against the amendment. Unless otherwise specified, the proxies solicited hereby will be voted in favor of the amendment.

**The board of directors recommends that you vote in favor of Proposal 2.**

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**PROPOSAL 3**

**APPROVAL OF PERFORMANCE GOALS AND RELATED MATTERS UNDER THE INCENTIVE PLAN**

**Background**

In 2007, our shareholders adopted the Fiserv, Inc. 2007 Omnibus Incentive Plan, a copy of which is attached hereto as Appendix B. We are asking our shareholders to approve the following three items under the Incentive Plan:

The performance goals under the Incentive Plan described below under the heading **Performance Goals**. Achievement of specified performance levels under some or all of these performance goals will be a condition to the vesting of awards under the Incentive Plan in the future if such awards have performance conditions to vesting or payment.

The employees eligible to receive awards under the Incentive Plan as described below under **Administration and Eligibility**.

The maximum amount of awards that may be granted to key employees during any calendar year under the Incentive Plan as described below under **Award Limits**.

We are not asking our shareholders to approve an increase in the number of shares authorized under the Incentive Plan or any amendment to the Incentive Plan.

Shareholder approval of these items is required so that the compensation expense resulting from future awards, the vesting or payment of which is conditioned on achievement of performance goals, is not subject to the limitation on income tax deductibility under Section 162(m) of the Internal Revenue Code of 1986, as amended (the **Code**). Under Section 162(m), we may not deduct compensation in excess of \$1 million paid in a year to our Chief Executive Officer and our next three highest paid executive officers (other than our Chief Financial Officer) for that year unless the compensation is payable solely on account of the achievement of pre-established, objective performance goals. If our shareholders do not approve the three items described above, we will not be able to deduct compensation expense in excess of this limit resulting from the vesting of future grants of awards with such performance conditions to vesting or payment. In such event, we will still be able to make awards under the Incentive Plan that do not comply with Section 162(m) of the Code.

**Summary of the Terms of the Incentive Plan**

The following is a summary of the material provisions of the Incentive Plan. This summary is qualified in its entirety by reference to the full and complete text of the Incentive Plan. Any inconsistencies between this summary and the text of the Incentive Plan will be governed by the text of the Incentive Plan.

**Administration and Eligibility**

The Incentive Plan is administered by the compensation committee or the board of directors with respect to employee participants and the board of directors with respect to director participants (we refer to such committee or board, as the case may be, as the **administrator**), which have the authority to interpret the provisions of the Incentive Plan; make, change and rescind rules and regulations relating to the Incentive Plan; and change or reconcile any inconsistency in any award or agreement covering an award. The administrator may designate any of the following as a participant under the Incentive Plan to the extent consistent with its authority: any of our or our affiliates' officers or other employees or individuals engaged to become such an officer or employee, consultants who provide services to us or our affiliates and our non-employee directors. The selection of participants will be based upon the administrator's opinion that the participant is in a position to contribute materially to our continued growth and development and to our long-term financial success. We currently have eight non-employee directors and approximately 1,200 employees who are eligible to participate in the Incentive Plan.

The board may delegate some or all of its authority under the Incentive Plan to a committee of the board, and the compensation committee may delegate some or all of its authority under the Incentive Plan to a sub-committee or one or more of our officers. Delegation is not permitted, however, with respect to stock-based awards made to individuals subject to Section 16b-3 of the Exchange Act unless the delegation is to a committee of the board that consists only of outside directors.

### **Shares Reserved under the Incentive Plan**

The Incentive Plan provides that 10,000,000 shares of common stock are reserved for issuance under the plan. As of March 15, 2012, 8,623,446 shares have been granted and 2,639,319 shares remain to be granted. The Incentive Plan also provides that we may only issue an aggregate of 2,500,000 shares of common stock upon the exercise of incentive stock options and 4,000,000 shares of common stock pursuant to awards of restricted stock, restricted stock units, performance shares, performance units valued in a relation to a share of common stock and any other similar award under which the value of the award is measured as the full value of a share of common stock, rather than the increase in the value of a share. In general, if an award granted under the Incentive Plan expires, is canceled or terminates without the issuance of shares, if shares are forfeited under an award, or if shares are issued under any award and we reacquire them pursuant to rights we reserved upon the issuance of the shares, then such shares will again be available for issuance under the Incentive Plan.

### **Types of Awards**

Awards under the Incentive Plan may consist of stock options, stock appreciation rights, performance shares, performance units, restricted stock, restricted stock units, dividend equivalent units, incentive cash awards or other equity-based awards. The administrator may grant any type of award to any participant it selects, but only our and our subsidiaries' employees may receive grants of incentive stock options. Awards may be granted alone or in addition to, in tandem with, or in substitution for any other award (or any other award granted under another plan of ours or of any of our affiliates).

#### *Options*

The administrator has the authority to grant stock options and to determine all terms and conditions of each stock option. Stock options will be granted to participants at such time as the administrator may determine. The administrator will also determine the number of options granted and whether an option is to be an incentive stock option or non-qualified stock option. The administrator will fix the option price per share of common stock, which may not be less than the fair market value of the common stock on the date of grant. Fair market value is defined as the last sales price of a share of our common stock for the date in question, or if no sales of our common stock occur on such date, on the last preceding date on which there was such a sale. The administrator will determine the expiration date of each option, but the expiration date will not be later than 10 years after the grant date. Options will be exercisable at such times and be subject to such restrictions and conditions as the administrator deems necessary or advisable. The stock option exercise price will be payable in full upon exercise in cash or its equivalent, by tendering shares of previously acquired common stock having a fair market value at the time of exercise equal to the exercise price, or by a combination of the two.

#### *Stock Appreciation Rights*

The administrator has the authority to grant stock appreciation rights. A stock appreciation right is the right of a participant to receive cash, common stock, or both cash and stock, with a fair market value equal to the appreciation of the fair market value of a share of common stock during a specified period of time. The Incentive Plan provides that the administrator will determine all terms and conditions of each stock appreciation right, including: whether the stock appreciation right is granted independently of a stock option or relates to a stock option; the number of shares of common stock to which the stock appreciation right relates; a grant price that is not less than the fair market value of the common stock subject to the stock appreciation right on the date of grant; the terms and conditions of exercise or maturity; a term that must be no later than 10 years after the date of grant; and whether the stock appreciation right will settle in cash, common stock or a combination of the two.

#### *Performance and Stock Awards*

The administrator has the authority to grant awards of restricted stock units, restricted stock, performance shares or performance units. Restricted stock unit means the right to receive a payment equal to the fair market value of one share of common stock. Restricted stock means shares of common stock that are subject to a risk of forfeiture, restrictions on transfer or both a risk of forfeiture and restrictions on transfer. Performance shares means the right to receive shares of common stock to the extent performance goals are achieved. Performance unit means the right to receive a payment valued in relation to a unit that has a designated dollar value or the value of which is equal to the fair market value of one or more shares of common stock, to the extent performance goals are achieved.

The administrator will determine all terms and conditions of the awards, including: the number of shares of common stock and/or units to which such award relates; whether performance goals need to be achieved for the participant to realize any portion of the benefit provided under the award; whether the restrictions imposed on restricted stock or restricted stock units will lapse, and any portion of the performance goals subject to an award will be deemed achieved, upon a participant's death, disability or retirement; with respect to performance units, whether to measure the value of each unit in relation to a designated dollar value or the fair market value of one or more shares of common stock; and, with respect to performance units, whether the awards will settle in cash, in shares of common stock, or in a combination of the two.

#### *Incentive Awards*

The administrator has the authority to grant annual and long-term incentive awards. An incentive award is the right to receive a cash payment to the extent that one or more performance goals are achieved. The administrator will determine all terms and conditions of an annual or long-term incentive award, including the performance goals, performance period, the potential amount payable and the timing of payment. The administrator must require that payment of all or any portion of the amount subject to the incentive award is contingent on the achievement of one or more performance goals during the period the administrator specifies. The administrator may deem that performance goals subject to an award are achieved upon a participant's death, disability or retirement, or such other circumstances as the administrator may specify. The performance period for an annual incentive award must relate to a period of one fiscal year, and the performance period for a long-term incentive award must relate to a period of more than one fiscal year, except that, in each case, if the award is made in the year the Incentive Plan becomes effective, at the time of commencement of employment with us or on the occasion of a promotion, then the award may relate to a shorter period.

#### *Dividend Equivalent Units*

The administrator has the authority to grant dividend equivalent units. A dividend equivalent unit is the right to receive a payment, in cash or shares of common stock, equal to the cash dividends or other distributions that we pay with respect to a share of common stock. The administrator will determine all terms and conditions of a dividend equivalent unit award, including whether: the award will be granted in tandem with another award; payment of the award be made currently or credited to an account for the participant which provides for the deferral of such amounts until a stated time; and the award will be settled in cash or shares of common stock.

#### *Other Awards*

The administrator has the authority to grant other types of awards, which may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, shares of common stock, either alone or in addition to or in conjunction with other awards, and payable in shares of common stock or cash. Such awards may include shares of unrestricted common stock, which may be awarded, without limitation, as a bonus, in payment of director fees, in lieu of cash compensation, in exchange for cancellation of a compensation right, or upon the attainment of performance goals or otherwise, or rights to acquire shares of our common stock from us. The administrator will determine all terms and conditions of the award, including the time or times at which such award will be made and

the number of shares of common stock to be granted pursuant to such award or to which such award will relate. Any award that provides for purchase rights must be priced at 100% of the fair market value of our common stock on the date of the award.

### **Performance Goals**

For purposes of the Incentive Plan, performance goals mean any goals the administrator establishes that relate to one or more of the following with respect to us or any one or more of our subsidiaries, affiliates or other business units: net sales; cost of sales; revenues; gross income; net income; operating income; income from continuing operations; earnings (including before interest and/or taxes and/or depreciation and amortization); earnings per share (including diluted earnings per share); cash flow; net cash provided by operating activities; net cash provided by operating activities less net cash used in investing activities; net operating profit; ratio of debt to debt plus equity; return on shareholder equity; return on capital; return on assets; operating working capital; average accounts receivable; economic value added; customer satisfaction; operating margin; profit margin; sales performance; sales quota attainment; new sales; cross/integrated sales; client engagement; client acquisition; net promoter score; internal revenue growth; and client retention. In the case of awards that the administrator determines will not be considered performance-based compensation under Section 162(m) of the Internal Revenue Code, the administrator may establish other performance goals not listed in the Incentive Plan.

### **Award Limits**

In order to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code, we are required to establish limits on the number of awards that we may grant to a particular participant. The award limits in the Incentive Plan were established in order to provide us with maximum flexibility and are not necessarily indicative of the size of award that we expect to make to any particular participant. Under the Incentive Plan, no participant may be granted awards that could result in such participant: receiving options for, or stock appreciation rights with respect to, more than 500,000 shares of common stock during any fiscal year; receiving awards of restricted stock or restricted stock units relating to more than 120,000 shares of common stock during any fiscal year; receiving awards of performance shares or awards of performance units, the value of which is based on the fair market value of common stock, for more than 120,000 shares of common stock during any fiscal year; receiving awards of performance units, the value of which is not based on the fair market value of shares of common stock, of more than \$3,000,000 in any fiscal year; receiving other stock-based awards not described above and that are intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code with respect to more than 120,000 shares of common stock during any fiscal year; receiving an annual cash incentive award of more than \$3,000,000 in any single fiscal year; or receiving a long-term cash incentive award of more than \$6,000,000 in any fiscal year. Each of these limitations is subject to adjustment as described above.

### **Transferability**

Awards are not transferable other than by will or the laws of descent and distribution, unless the administrator allows a participant to designate in writing a beneficiary to exercise the award or receive payment under an award after the participant's death or to transfer an award for no consideration.

### **Adjustments**

If: (A) we are involved in a merger or other transaction in which our common stock is changed or exchanged; we subdivide or combine our common stock or we declare a dividend payable in our common stock, other securities (other than stock purchase rights issued pursuant to a shareholder rights agreement) or other property; we effect a cash dividend, the amount of which, on a per share basis, exceeds 10% of the fair market value of a share of common stock at the time the dividend is declared, or we effect any other dividend or other distribution on our common stock in the form of cash, or a repurchase of shares of common stock, that the board of directors determines is special or extraordinary in nature or that is in connection with a transaction that we characterize

publicly as a recapitalization or reorganization involving our common stock; or any other event occurs, which, in the judgment of the board of directors or compensation committee necessitates an adjustment to prevent an increase or decrease in the benefits or potential benefits intended to be made available under the Incentive Plan; then (B) the administrator will, in a manner it deems equitable to prevent an increase or decrease in the benefits or potential benefits intended to be made available under the Incentive Plan and subject to certain provisions of the Internal Revenue Code, adjust the number and type of shares of common stock subject to the Incentive Plan and which may, after the event, be made the subject of awards; the number and type of shares of common stock subject to outstanding awards; the grant, purchase or exercise price with respect to any award; and performance goals of an award.

In any such case, the administrator may also provide for a cash payment to the holder of an outstanding award in exchange for the cancellation of all or a portion of the award. However, if the transaction or event constitutes a change of control, as defined in the Incentive Plan, then the payment must be at least as favorable to the holder as the greatest amount the holder could have received for such award under the change of control provisions of the Incentive Plan. The administrator may, in connection with any merger, consolidation, acquisition of property or stock, or reorganization, and without affecting the number of shares of common stock otherwise reserved or available under the Incentive Plan, authorize the issuance or assumption of awards upon terms it deems appropriate.

### **Change of Control**

Unless otherwise provided in an applicable employment, retention, change of control, severance, award or similar agreement, in the event of a change of control, the successor or purchaser in the change of control transaction may assume an award or provide a substitute award with similar terms and conditions and preserving the same benefits as the award it is replacing. If the awards are not so assumed or replaced, then unless otherwise determined by the board of directors prior to the date of the change of control, immediately prior to the date of the change of control:

each stock option or stock appreciation right that is then held by a participant who is employed by or in the service of us or one of our affiliates will become fully vested, and all stock options and stock appreciation rights will be cancelled in exchange for a cash payment equal to the excess of the change of control price (as determined by the administrator) of the shares of common stock covered by the stock option or stock appreciation right over the purchase or grant price of such shares of common stock under the award;

restricted stock and restricted stock units that are not vested will vest;

each holder of a performance share and/or performance unit that has been earned but not yet paid will receive cash equal to the value of the performance share and/or performance unit, and each performance share and/or performance unit for which the performance period has not expired will be cancelled in exchange for a cash payment equal to the value of the performance share and/or performance unit multiplied by a percentage based on the portion of the performance period that has elapsed as of the date of the change of control;

all incentive awards that are earned but not yet paid will be paid, and all incentive awards that are not yet earned will be cancelled in exchange for a cash payment equal to the amount that would have been due if the performance goals (measured at the time of the change of control) continued to be achieved through the end of the performance period multiplied by a percentage based on the portion of the performance period that has elapsed as of the date of the change of control;

all dividend equivalent units that are not vested will vest and be paid in cash; and

all other awards that are not vested will vest, and if an amount is payable under such vested award, then such amount will be paid in cash based on the value of the award.

### **Term of Incentive Plan**

Unless earlier terminated by our board of directors, the Incentive Plan will remain in effect until all common stock reserved for issuance under the Incentive Plan has been issued. If the term of the Incentive Plan extends beyond 10 years, no incentive stock options may be granted after such time unless our shareholders approve an extension of the Incentive Plan.

### **Termination and Amendment**

The board of directors or the compensation committee may amend, alter, suspend, discontinue or terminate the Incentive Plan at any time, except:

the board of directors must approve any amendment to the Incentive Plan if we determine such approval is required by action of the board, applicable corporate law or any other applicable law;

shareholders must approve any amendment to the Incentive Plan if we determine that such approval is required by Section 16 of the Exchange Act, the listing requirements of any principal securities exchange or market on which our common stock is then traded, or any other applicable law; and

shareholders must approve any amendment to the Incentive Plan that materially increases the number of shares of common stock reserved under the Incentive Plan or the per participant award limitations set forth in the Incentive Plan or that diminishes the provisions on repricing or backdating stock options and stock appreciation rights.

The administrator may modify, amend or cancel any award or waive any restrictions or conditions applicable to any award or the exercise of the award. Any modification or amendment that materially diminishes the rights of the participant or any other person that may have an interest in the award will be effective only if agreed to by that participant or other person. The administrator does not need to obtain participant or other interested party consent, however, for the adjustment or cancellation of an award pursuant to the adjustment provisions of the Incentive Plan or the modification of an award to the extent deemed necessary to comply with any applicable law, the listing requirements of any principal securities exchange or market on which our common stock is then traded, or to preserve favorable accounting or tax treatment of any award for us. The authority of the administrator to terminate or modify the Incentive Plan or awards will extend beyond the termination date of the Incentive Plan. In addition, termination of the Incentive Plan will not affect the rights of participants with respect to awards previously granted to them, and all unexpired awards will continue in force after termination of the Incentive Plan except as they may lapse or be terminated by their own terms and conditions.

### **Repricing and Backdating Prohibited**

Neither the administrator nor any other person may decrease the exercise price for any outstanding stock option or stock appreciation right after the date of grant nor allow a participant to surrender an outstanding stock option or stock appreciation right to us as consideration for the grant of a new stock option or stock appreciation right with a lower exercise price. The administrator may not grant a stock option or stock appreciation right with a grant date that is effective prior to the date the administrator takes action to approve such award.

### **Foreign Participation**

To assure the viability of awards granted to participants employed or residing in foreign countries, the administrator may provide for such special terms as it may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the administrator may approve such supplements to, or amendments, restatements or alternative versions of, the Incentive Plan as it determines is necessary or appropriate for such purposes. Any such amendment, restatement or alternative versions that the administrator approves for purposes of using the Incentive Plan in a foreign country will not affect the terms of the Incentive Plan for any other country.

### **Certain Federal Income Tax Consequences**

The following summarizes certain federal income tax consequences relating to the Incentive Plan. The summary is based upon the laws and regulations in effect as of the date of this proxy statement and does not purport to be a complete statement of the law in this area. Furthermore, the discussion below does not address the tax consequences of the receipt or exercise of awards under foreign, state or local tax laws, and such tax laws may not correspond to the federal income tax treatment described herein. The exact federal income tax treatment of transactions under the Incentive Plan will vary depending upon the specific facts and circumstances involved, and participants are advised to consult their personal tax advisors with regard to all consequences arising from the grant or exercise of awards and the disposition of any acquired shares.

#### *Stock Options*

The grant of a stock option under the Incentive Plan will create no income tax consequences to us or to the recipient. A participant who is granted a non-qualified stock option will generally recognize ordinary compensation income at the time of exercise in an amount equal to the excess of the fair market value of the common stock at such time over the exercise price. We will generally be entitled to a deduction in the same amount and at the same time as the participant recognizes ordinary income. Upon the participant's subsequent disposition of the shares of common stock received with respect to such stock option, the participant will recognize a capital gain or loss (long-term or short-term, depending on the holding period) to the extent the amount realized from the sale differs from the tax basis (i.e., the fair market value of the common stock on the exercise date).

In general, a participant will recognize no income or gain as a result of the exercise of an incentive stock option, except that the alternative minimum tax may apply. Except as described below, the participant will recognize a long-term capital gain or loss on the disposition of the common stock acquired pursuant to the exercise of an incentive stock option and we will not be allowed a deduction. If the participant fails to hold the shares of common stock acquired pursuant to the exercise of an incentive stock option for at least two years from the grant date of the incentive stock option and one year from the exercise date, then the participant will recognize ordinary compensation income at the time of the disposition equal to the lesser of the gain realized on the disposition and the excess of the fair market value of the shares of common stock on the exercise date over the exercise price. We will generally be entitled to a deduction in the same amount and at the same time as the participant recognizes ordinary income. Any additional gain realized by the participant over the fair market value at the time of exercise will be treated as a capital gain.

#### *Stock Appreciation Rights*

The grant of a stock appreciation right under the Incentive Plan will create no income tax consequences to us or to the recipient. A participant who is granted a stock appreciation right will generally recognize ordinary compensation income at the time of exercise in an amount equal to the excess of the fair market value of the common stock at such time over the grant price. We will generally be entitled to a deduction in the same amount and at the same time as the participant recognizes ordinary income. If the stock appreciation right is settled in shares of our common stock, upon the participant's subsequent disposition of such shares, the participant will recognize a capital gain or loss (long-term or short-term, depending on the holding period) to the extent the amount realized from the sale differs from the tax basis (i.e., the fair market value of the common stock on the exercise date).

#### *Restricted Stock*

Generally, a participant will not recognize income, and we will not be entitled to a deduction, at the time an award of restricted stock is made under the Incentive Plan, unless the participant makes the election described below. A participant who has not made such an election will recognize ordinary income at the time the restrictions on the stock lapse in an amount equal to the fair market value of the restricted stock at such time. We

will generally be entitled to a corresponding deduction in the same amount and at the same time as the participant recognizes income. Any otherwise taxable disposition of the restricted stock after the time the restrictions lapse will result in a capital gain or loss to the extent the amount realized from the sale differs from the tax basis (i.e., the fair market value of the common stock on the date the restrictions lapse). Dividends paid in cash and received by a participant prior to the time the restrictions lapse will constitute ordinary income to the participant in the year paid, and we will generally be entitled to a corresponding deduction for such dividends. Any dividends paid in stock will be treated as an award of additional restricted stock subject to the tax treatment described herein.

A participant may, within 30 days after the date of the award of restricted stock, elect to recognize ordinary income as of the date of the award in an amount equal to the fair market value of such restricted stock on the date of the award (less the amount, if any, the participant paid for such restricted stock). If the participant makes such an election, then we will generally be entitled to a corresponding deduction in the same amount and at the same time as the participant recognizes income. If the participant makes the election, then any cash dividends the participant receives with respect to the restricted stock will be treated as dividend income to the participant in the year of payment and will not be deductible by us. Any otherwise taxable disposition of the restricted stock (other than by forfeiture) will result in a capital gain or loss. If the participant who has made an election subsequently forfeits the restricted stock, then the participant will not be entitled to claim a credit for the tax previously paid. In addition, we would then be required to include as ordinary income the amount of any deduction we originally claimed with respect to such shares.

#### *Restricted Stock Units*

A participant will not recognize income, and we will not be entitled to a deduction, at the time an award of a restricted stock unit is made under the Incentive Plan. Upon the participant's receipt of shares (or cash) at the end of the restriction period, the participant will recognize ordinary income equal to the amount of cash and/or the fair market value of the shares received, and we will be entitled to a corresponding deduction in the same amount and at the same time. If the restricted stock units are settled in whole or in part in shares, upon the participant's subsequent disposition of the shares the participant will recognize a capital gain or loss (long-term or short-term, depending on the holding period) to the extent the amount realized upon disposition differs from the shares' tax basis (i.e., the fair market value of the shares on the date the participant received the shares).

#### *Performance Shares*

The grant of performance shares will create no income tax consequences for us or the participant. Upon the participant's receipt of shares at the end of the applicable performance period, the participant will recognize ordinary income equal to the fair market value of the shares received, except that if the participant receives shares of restricted stock in payment of performance shares, recognition of income may be deferred in accordance with the rules applicable to restricted stock as described above. In addition, the participant will recognize ordinary compensation income equal to the dividend equivalents paid on performance shares prior to or at the end of the performance period. We will generally be entitled to a deduction in the same amount and at the same time as the participant recognizes income. Upon the participant's subsequent disposition of the shares, the participant will recognize a capital gain or loss (long-term or short-term depending on the holding period) to the extent the amount realized from the disposition differs from the shares' tax basis (i.e., the fair market value of the shares on the date the participant received the shares).

#### *Performance Units*

The grant of a performance unit will create no income tax consequences to us or the participant. Upon the participant's receipt of cash and/or shares at the end of the applicable performance period, the participant will recognize ordinary income equal to the amount of cash and/or the fair market value of the shares received, and we will be entitled to a corresponding deduction in the same amount and at the same time. If performance units are settled in whole or in part in shares, upon the participant's subsequent disposition of the shares the participant

will recognize a capital gain or loss (long-term or short-term, depending on the holding period) to the extent the amount realized upon disposition differs from the shares' tax basis (i.e., the fair market value of the shares on the date the participant received the shares).

*Incentive Awards*

A participant who is paid an incentive award will recognize ordinary income equal to the amount of cash paid, and we will be entitled to a corresponding income tax deduction.

*Dividend Equivalent Units*

A participant who is paid a dividend equivalent with respect to an award will recognize ordinary income equal to the value of cash or common stock paid, and we will be entitled to a corresponding deduction in the same amount and at the same time.

*Section 162(m) Limit on Deductibility of Compensation*

Section 162(m) of the Internal Revenue Code limits the deduction we can take for compensation we pay to our chief executive officer and our four other highest paid officers (other than our chief financial officer), determined as of the end of each year, to \$1,000,000 per year per individual. However, performance-based compensation that meets the requirements of Section 162(m) does not have to be included as part of the \$1,000,000 limit. The Incentive Plan is designed so that awards granted to the covered individuals may meet the Section 162(m) requirements for performance-based compensation.

*Code Section 409A*

Awards under the Incentive Plan may constitute, or provide for, a deferral of compensation under Section 409A of the Internal Revenue Code. If the requirements of Section 409A or an exemption from Section 409A are not met, holders of such awards may be taxed earlier than would otherwise be the case (e.g., at the time of vesting instead of the time of payment) and may be subject to an additional 20% penalty tax and, potentially, interest and penalties. We have sought to structure the Incentive Plan, and we expect to seek to structure awards under the Incentive Plan, to comply with Section 409A and the Department of Treasury regulations and other interpretive guidance that may be issued pursuant to Section 409A. To the extent that we determine that any award granted under the Incentive Plan is subject to Section 409A, the award agreement evidencing such award will generally incorporate the terms and conditions required by Section 409A. The Incentive Plan and any applicable awards may be modified to exempt the awards from Section 409A or comply with the requirements of Section 409A.

*Other Considerations*

Awards that are granted, accelerated or enhanced upon the occurrence of a change of control may give rise, in whole or in part, to excess parachute payments within the meaning of Section 280G of the Internal Revenue Code to the extent that such payments, when aggregated with other payments subject to Section 280G, exceed the limitations contained in that provision. Such excess parachute payments are not deductible by us and are subject to an excise tax of 20% payable by the participant.

**Future Plan Benefits**

The compensation committee annually determines the benefits or amounts that will be received by or allocated to key employees and directors under the Incentive Plan. Accordingly, such benefits and amounts in the future are not currently determinable.

**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.

Plan Category	(a) Number of shares to be issued upon exercise of outstanding options	(b) Weighted-average exercise price of outstanding options	(c) Number of shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
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.

**Vote Required and Recommendation of the Board of Directors**

To approve the performance goals and related matters under the Incentive Plan, the votes cast for the approval of the performance goals and related matters must exceed the votes cast against the proposal. Unless otherwise specified, the proxies solicited hereby will be voted in favor of the performance goals and related matters under the Incentive Plan.

**The board of directors recommends that you vote in favor of Proposal 3.**

**PROPOSAL 4**

**ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION**

**Background**

We are conducting a non-binding, advisory vote to approve the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission, in accordance with Section 14A of the Exchange Act (commonly referred to as "Say-on-Pay").

**Proposed Resolution**

We encourage shareholders to review the Compensation Discussion and Analysis beginning on page 31 of this proxy statement as well as the tabular and narrative disclosure under "Compensation of Executive Officers" beginning on page 43. Our compensation program for named executive officers is designed to create shareholder value by rewarding performance and includes the following key factors:

Despite a challenging economy, we exceeded our financial goals in 2011, as further discussed below under "Compensation Discussion and Analysis - 2011 Named Executive Officer Compensation - Cash Incentive Awards."

We provide compensation in the form of cash incentive awards based on achievement of annual performance goals and long-term equity compensation that promotes sustained financial and operating performance by delivering value to executive officers to the extent our stock price increases over time. In 2011, approximately 75% of the compensation that we paid to our named executive officers was in the form of cash and equity incentive awards.

The value of equity incentive awards granted to our chief executive officer was more than twice the amount of cash compensation paid to him, and equity incentive awards comprised approximately half of the compensation paid to the other named executive officers in 2011. Approximately three-quarters of the equity awards that we granted to the named executive officers were in the form of options, which are inherently performance-based and have value to the extent that the price of our stock increases.

We did not increase the base salaries of most of our named executive officers in 2011 compared to 2010.

We generally do not provide perquisites to our named executive officers.

We have stock ownership guidelines, which require our executive officers to maintain a substantial investment in Fiserv stock; stock disposition requirements that restrict how much Fiserv stock an executive officer can sell in a specified period; and a compensation recoupment, or "clawback," policy, all of which we believe align the interests of our named executive officers with those of our shareholders.

**The board endorses the compensation of our named executive officers and recommends that you vote in favor of the following resolution:**

RESOLVED, that the shareholders hereby approve, on an advisory basis, the compensation of the company's named executive officers as disclosed in this proxy statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including under "Compensation Discussion and Analysis" and in the tabular and narrative disclosures under "Compensation of Executive Officers."

**Vote Required, Effect of Vote and Recommendation of the Board of Directors**

To approve, on an advisory basis, the compensation of our named executive officers as disclosed in this proxy statement, the number of votes cast for the proposal must exceed the number of votes cast against the proposal. Unless otherwise specified, the proxies solicited hereby will be voted in favor of this proposal.



Because the vote is advisory, it will not be binding upon the board or the compensation committee, and neither the board nor the compensation committee will be required to take any action as a result of the outcome of the vote on this proposal. Although the outcome of this vote is advisory, the compensation committee will carefully consider the outcome of the vote when considering future executive compensation decisions to the extent it can determine the cause or causes of any significant negative voting results.

**The board of directors recommends that you vote in favor of Proposal 4.**

**PROPOSAL 5**

**RATIFICATION OF THE SELECTION OF DELOITTE & TOUCHE LLP**

**Background**

The audit committee of the board of directors has selected Deloitte & Touche LLP to serve as our independent registered public accounting firm for the fiscal year ending December 31, 2012. Deloitte & Touche LLP has served as our independent public accounting firm since 1986. The audit committee, from time to time, evaluates the performance of Deloitte & Touche LLP to determine whether we should continue to retain the firm as our independent registered public accounting firm. To this end, at least annually, Deloitte & Touche LLP makes a presentation to the committee regarding the services it provides, and our chief financial officer provides the committee with his assessment of the firm's performance. A representative of Deloitte & Touche LLP is expected to be present at the annual meeting, will have an opportunity to make a statement if he or she so desires, and will be available to respond to appropriate questions.

**Reasons for the Proposal**

Selection of our independent registered public accounting firm is not required to be submitted for shareholder approval, but the audit committee of our board of directors is seeking ratification of its selection of Deloitte & Touche LLP as a matter of good corporate practice. If our shareholders do not ratify this selection, the audit committee of the board of directors will consider it a direction to select another independent public accounting firm for 2012. Even if the selection is ratified, the audit committee may, in its discretion, appoint a different independent registered public accounting firm at any time if it determines that such a change would be in our shareholders' best interests.

**Vote Required and Recommendation of the Board of Directors**

To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm, the number of votes cast for the proposal must exceed the number of votes cast against the proposal. Unless otherwise specified, the proxies solicited hereby will be voted in favor of the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for 2012.

**The board of directors recommends that you vote in favor of Proposal 5.**

**CORPORATE GOVERNANCE**

**Director Independence**

Our board of directors has determined that Donald F. Dillon, Daniel P. Kearney, Denis J. O'Leary, Glenn M. Renwick, Kim M. Robak, Doyle R. Simons and Thomas C. Wertheimer are independent within the meaning of NASDAQ Marketplace Rule 5605(a)(2). Mr. Yabuki is not independent because he is a current employee of Fiserv, and Mr. Kight is not independent because he has been employed by Fiserv within the past three years.

**Meetings and Attendance**

During our fiscal year ended December 31, 2011, our board of directors held six meetings, and each director attended at least 75% of the aggregate of the number of meetings of the board of directors and the number of meetings held by all committees of the board on which she or he served, in each case while the director was serving on our board of directors. Directors are expected to attend each annual meeting of shareholders. All of the directors serving on the board at the time of our 2011 annual meeting of shareholders attended the meeting.

## **Board Leadership Structure**

We separate the roles of chief executive officer and Chairman of the board to allow our leaders to focus on their respective responsibilities. Our chief executive officer is responsible for setting our strategic direction and providing day-to-day leadership. Our Chairman provides guidance to our chief executive officer, sets the agenda for board meetings and presides over meetings of the full board. Our board recognizes the time, effort and energy that our chief executive officer is required to devote to his position in the current business environment, as well as the commitment required to serve as our Chairman. Our board believes that having separate positions provides a clear delineation of responsibilities for each position and enhances the ability of each leader to discharge his duties effectively which, in turn, enhances our prospects for success.

## **Committees of the Board of Directors**

Our board of directors has three standing committees: a nominating and corporate governance committee; an audit committee; and a compensation committee. The directors currently serving on these committees satisfy the independence requirements contained in the NASDAQ Marketplace Rules applicable to such committees, including the enhanced independence requirements for members of the audit committee. Each of these committees has the responsibilities set forth in written charters adopted by the board of directors. We make copies of each of these charters available free of charge on our website at <http://investors.fiserv.com/documents.cfm>. Other than the text of the charters, we are not including the information contained on or available through our website as a part of, or incorporating such information by reference into, this proxy statement.

### ***Nominating and Corporate Governance Committee***

#### *Membership and Responsibilities*

The nominating and corporate governance committee assists the board of directors to identify and evaluate potential director nominees, and recommends qualified nominees to the board of directors for consideration by the shareholders. The nominating and corporate governance committee also oversees our corporate governance procedures and manages the board's annual evaluation of the chief executive officer. The members of the nominating and corporate governance committee are currently Ms. Robak (Chairperson), Mr. Kearney and Mr. O'Leary, each of whom is independent. The nominating and corporate governance committee held five meetings during 2011.

#### *Nominations of Directors*

The nominating and corporate governance committee recommends to the full board of directors the nominees to stand for election at our annual meeting of shareholders and to fill vacancies occurring on the board. In this regard, the nominating and corporate governance committee regularly assesses the appropriate size of the board of directors and whether any vacancies on the board of directors are expected due to retirement or otherwise. In the event that vacancies are anticipated or otherwise arise, the committee utilizes a variety of methods to identify and evaluate director candidates. Candidates may come to the attention of the committee through current directors, professional search firms, shareholders or other persons.

The committee evaluates prospective nominees in the context of the then current constitution of the board of directors and considers all factors it considers appropriate, which include those set forth in our governance guidelines. Our governance guidelines provide that the members of our board of directors should have diverse backgrounds and skills. The diversity that the committee seeks includes diversity of education, professional experience as well as diversity of gender, race and national origin, in order that the board represents a broad set of skills and viewpoints. Other than as set forth in our governance guidelines, the committee does not have a

formal policy with respect to diversity. The board of directors and the nominating and corporate governance committee believe the following minimum qualifications must be met by a director nominee to be recommended by the committee:

Each director must display the highest personal and professional ethics, integrity and values.

Each director must have the ability to exercise sound business judgment.

Each director must be highly accomplished in his or her respective field, with strong credentials and broad experience.

Each director must have relevant expertise and experience and be able to offer advice and guidance to our chief executive officer based on that expertise and experience.

Each director must be independent of any particular constituency, be able to represent all of our shareholders, and be committed to enhancing long-term shareholder value.

Each director must have sufficient time available to devote to activities of the board of directors and to enhance his or her knowledge of our business.

In addition, the nominating and corporate governance committee seeks to have at least one director who is an audit committee financial expert under Item 407(d)(5) of Regulation S-K under the Exchange Act, and we must have at least one director (who may also be an audit committee financial expert ) who, in accordance with the NASDAQ Marketplace Rules, has past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

In making recommendations to the board of directors, the nominating and corporate governance committee examines each director nominee on a case-by-case basis regardless of who recommended the nominee. The committee will consider persons recommended by shareholders to become nominees for election as directors in accordance with the foregoing and other criteria set forth in our governance guidelines and the Nominating and Corporate Governance Committee Charter. The committee does not evaluate shareholder nominees differently than any other nominee.

Pursuant to procedures set forth in our by-laws, our nominating and corporate governance committee will consider shareholder nominations for directors if our corporate Secretary receives timely written notice, in proper form, of the intent to make a nomination at a meeting of shareholders. To be in proper form, the notice must, among other matters: list the name and residence address of the person or persons to be nominated; include each nominee's written consent to be named in our proxy statement and to serve as a director if elected; describe all arrangements or understandings between the nominating shareholder and each nominee, including any understanding with any person as to how such nominee, if elected, will act or vote on any issue or question and all direct and indirect compensation and any other material monetary arrangements during the past three years between the nominating shareholder and its affiliates and each nominee and his or her affiliates; describe information about the nominating shareholder and each nominee; and contain 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 a contested election of directors, or would be otherwise required to be disclosed, in each case pursuant to Section 14 of the Exchange Act. To be timely, the notice must be received by the applicable deadline set forth in our by-laws. The detailed requirements for nominations are set forth in our by-laws, which were attached as an exhibit to our Annual Report on Form 10-K for the year ended December 31, 2011 filed with the Securities and Exchange Commission on February 24, 2012. A copy of our by-laws will be provided upon written request to our corporate Secretary. Additional requirements regarding shareholder proposals, including director nominations, are described below under the heading *Shareholder Proposals for the 2013 Annual Meeting*.

### ***Audit Committee***

#### ***Membership and Responsibilities***

The audit committee's primary role is to provide independent review and oversight of our financial reporting processes and financial statements, system of internal controls, audit process and results of operations and financial condition. In doing so, it is the responsibility of the audit committee to provide an open avenue of communication between the board of directors, management, our internal audit function and our independent auditor. The audit committee is directly and solely responsible for the appointment, compensation, retention, termination and oversight of our independent auditor. The members of the audit committee are Mr. Wertheimer (Chairman), Mr. Kearney and Mr. O'Leary, each of whom is independent as defined by applicable NASDAQ and Securities and Exchange Commission rules. The board of directors has determined that all three of the members of the audit committee are audit committee financial experts, as that term is used in Item 407(d)(5) of Regulation S-K. The audit committee held nine meetings during 2011.

#### ***Audit Committee Report***

In accordance with its written charter, the audit committee provides independent review and oversight of the accounting and financial reporting processes and financial statements of Fiserv, Inc., the system of internal controls that management and the board of directors have established, the audit process and the results of operations of Fiserv, Inc. and its financial condition. Management has the responsibility for preparing the company's financial statements, and Deloitte & Touche LLP (Deloitte), the company's independent registered public accounting firm, has the responsibility for examining those statements.

The audit committee has reviewed and discussed with management and Deloitte the audited financial statements of Fiserv, Inc. for the fiscal year ended December 31, 2011. The audit committee has also discussed with Deloitte the matters required to be discussed under Public Company Accounting Oversight Board standards. The audit committee has received the written disclosures and letter from Deloitte required by the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the audit committee concerning independence, and has discussed with Deloitte its independence.

The audit committee also discussed with management, the internal auditors and Deloitte the quality and adequacy of the internal controls and internal audit organization, responsibilities, budget and staffing of Fiserv, Inc. The audit committee reviewed with both Deloitte and the internal auditors their respective audit plans, audit scope and identification of audit risks. Based on the above-mentioned reviews and discussions, the audit committee recommended to the board of directors that the audited financial statements of Fiserv, Inc. be included in its Annual Report on Form 10-K for 2011, for filing with the Securities and Exchange Commission.

Thomas C. Wertheimer, Chairman

Daniel P. Kearney

Denis J. O'Leary

### ***Compensation Committee***

The compensation committee of the board of directors is responsible for overseeing executive officer compensation. The members of the compensation committee are currently Mr. Renwick (Chairman), Ms. Robak and Mr. Simons, each of whom is a non-employee director and independent as defined by applicable NASDAQ Marketplace Rules. The compensation committee operates under a written charter that identifies its responsibilities which include: approval of executive officer compensation; approval of compensation policies and employee benefit plans; review of compensation-related risk; administration of our equity incentive plans including compliance with executive share ownership requirements; review of shareholder proposals related to compensation matters; review of our severance policies; and consultation with management regarding employee compensation generally. The

compensation committee held four meetings during 2011. Additional information regarding the compensation committee and our policies and procedures regarding executive compensation, including, among other matters, our use of compensation consultants and management's role in determining compensation, is provided below under the heading *Compensation Discussion and Analysis - Determining Compensation*.

### **Risk Oversight**

Our management is responsible for managing risks, and our board of directors is responsible for overseeing management. To discharge this responsibility, the board seeks to be informed about the risks facing the company so that it may evaluate actual and potential risks and understand how management is managing such risks. To this end, the board, as a whole and at the committee level, regularly receives reports from management about risks faced by the company. For example, the board of directors regularly receives reports directly from our chief executive officer about, among other matters, developments in our industry so that the board may evaluate the competitive risks faced by the company. In addition, our chief financial officer, at each meeting of the board, presents information regarding our financial performance as well as information regarding our capital allocation decisions, creditworthiness and liquidity, all in an effort to understand financial risks faced by the company. As discussed above, the positions of chief executive officer and Chairman are held by different individuals. We believe a separate Chairman position enhances the effectiveness of our board's risk oversight function by providing leadership to the board that is independent from those tasked with managing the risk profile of our company.

The committees of the board also play a critical role in the board's ability to collect and assess information. The audit committee's charter charges it with a variety of risk-related oversight duties, including: (i) inquiring of relevant personnel regarding risks or exposures generally, including risks associated with derivatives, currency exposure, interest rate hedging and other investment strategies; (ii) coordinating the board's oversight of our significant internal controls and disclosure controls and procedures; (iii) administering our code of business conduct and ethics; (iv) reviewing legal and regulatory matters that could have a material impact on the financial statements; (v) considering and approving related party transactions; and (vi) establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters. At each of its quarterly meetings, the audit committee receives reports from our director of internal audit regarding significant audit findings during the quarter and management's responses thereto. In addition, the committee regularly receives reports from our enterprise risk and resilience group, which is responsible for Fiserv's enterprise risk management program that encompasses our business continuity planning, incident management, risk assessment, operational regulatory compliance, insurance and information security across all Fiserv businesses and support functions.

In addition, our compensation committee regularly receives reports from our human resources department and our senior management about our compensation programs and policies to enable it to oversee management's administration of compensation-related risks. The nominating and corporate governance committee also works closely with our general counsel and the members of the board to seek to manage risks associated with the independence of the directors, conflicts of interest and other corporate governance related matters.

### **Communications with the Board of Directors**

Shareholders may communicate with our board of directors or individual directors by submitting communications in writing to us at 255 Fiserv Drive, Brookfield, Wisconsin 53045, Attention: Charles W. Sprague, Executive Vice President, General Counsel and Secretary. Communications will be delivered directly to our board of directors or individual directors, as applicable.

**Review, Approval or Ratification of Transactions with Related Persons**

Our board of directors has adopted a written policy that requires all related person transactions be reviewed and approved by: the audit committee of the board of directors; or, if the audit committee is not able to review the transaction for any reason (e.g., if a majority of its members are interested in a transaction), a majority of the disinterested members of the board; or, if the transaction involves the compensation of an executive officer or director, the compensation committee of the board of directors. The policy also provides that, at least annually, each ongoing, previously approved related person transaction is to be reviewed by the body that originally approved the transaction: to ensure that it is being pursued in accordance with all of the understandings and commitments made at the time that it was previously approved; to ensure that the commitments being made with respect to such transaction are appropriately reviewed and documented; and to affirm the continuing desirability of and need for the related person arrangement.

A related person transaction is a transaction in which we are proposed to be a participant and in which a related person may have a direct or indirect material interest. Our policy adopts the definition of a related person contained in Item 404(a) of Regulation S-K and applies to our directors and executive officers, immediate family members of our directors and executive officers, security holders who beneficially own five percent or more of any class of our outstanding voting securities, an immediate family member of any significant shareholder, and any entity that is owned or controlled by any of the foregoing.

The audit committee (or, as applicable, the board of directors or the compensation committee) will consider all relevant factors with respect to a proposed related person transaction, and will only approve such a transaction if the audit committee determines that the transaction is in our and our shareholders' best interests or, if an alternate standard of review is imposed by applicable laws, statutes, governing documents or listing standards, if such alternate standard of review is satisfied.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16 of the Exchange Act requires our directors and executive officers and persons who own more than ten percent of a registered class of our equity securities to file with the Securities and Exchange Commission initial reports of ownership and reports of changes in ownership of our common stock and other equity securities. These Section 16 reporting persons are required by Securities and Exchange Commission regulations to furnish us with copies of all Section 16 forms they file. To our knowledge, based solely on a review of the copies of such reports furnished to us and written representations from Section 16 reporting persons, we believe that, during our fiscal year ended December 31, 2011, all Section 16 reporting persons complied with all applicable filing requirements.

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**AUDIT FEES**
**Independent Registered Public Accounting Firm and Fees**

The following table presents the aggregate fees billed by Deloitte & Touche LLP and related entities for services provided during 2010 and 2011. The audit committee has concluded that Deloitte & Touche LLP's provision of the audit and permitted non-audit services described below is compatible with Deloitte & Touche LLP maintaining its independence.

	2010	2011
Audit Fees	\$ 1,870,000	\$ 1,913,000
Audit-Related Fees	2,175,000	2,838,000
Tax Fees	188,000	708,000
 Total	 \$ 4,233,000	 \$ 5,459,000

*Audit Fees.* Audit fees are for professional services rendered by Deloitte & Touche LLP in connection with the audit of our annual financial statements, the review of financial statements included in our quarterly reports on Form 10-Q, our preparation of registration statements and foreign statutory audits.

*Audit-Related Fees.* Audit-related fees are for professional services rendered by Deloitte & Touche LLP for service auditor reports. The increase in 2011 compared to 2010 is primarily attributable to an increase in the number of reports issued in 2011 and an expansion in the scope of certain reports.

*Tax Fees.* Tax fees are for tax consultations and tax return preparation.

**Pre-Approval Policy**

In 2011, the audit committee pre-approved all services provided by our independent registered public accounting firm. The audit committee has established pre-approval policies and procedures with respect to audit and permitted non-audit services to be provided by its independent registered public accounting firm. Pursuant to these policies and procedures, the audit committee may form, and delegate authority to, a subcommittee consisting of one or more members to approve the provision of audit and permitted non-audit services. In such case, if the subcommittee approves any services, it is required to provide the full audit committee with a report regarding the services that it approved at the audit committee's next scheduled meeting. In addition, the audit committee pre-approves particular services, subject to certain monetary limits, after the audit committee is presented with a schedule describing the services to be approved. The audit committee's pre-approval policies do not permit the delegation of the audit committee's responsibilities to management.

**COMPENSATION DISCUSSION AND ANALYSIS**

**Overview**

The Compensation Discussion and Analysis portion of this proxy statement is designed to provide you with detailed information regarding our executive compensation philosophy, how we determine and structure executive compensation, including the factors we consider in making compensation decisions, and our executive compensation policies. The Compensation Discussion and Analysis focuses on the compensation of our named executive officers for 2011, who were:

Named Executive Officer	Title
Jeffery W. Yabuki	President and Chief Executive Officer
Thomas J. Hirsch	Executive Vice President, Chief Financial Officer and Treasurer
Mark A. Ernst	Executive Vice President, Chief Operating Officer    Joined Fiserv in January 2011.
Rahul Gupta	Executive Vice President, Group President, Digital Payments    Mr. Gupta was promoted to Group President, Digital Payments in October 2011 from president of our card services business.
Thomas W. Warsop, III	Executive Vice President, Group President, Distribution and Sales    Served as Executive Vice President and Chief Sales Officer in 2011. He was promoted to his current role in January 2012.

**Executive Summary**

***Our Business***

Our mission is to provide integrated technology and services solutions to enable best-in-class results for our clients. We pursue this goal with a strategy focused on new product and service development, improved cost effectiveness of services, aggressive solicitation of new clients and strategic acquisitions and divestitures. We face significant competition from domestic and international companies that are aggressive and well financed. Our industry is characterized by rapidly changing technology, evolving industry standards and frequent new product introductions. In order to implement our strategic plan, we need to assemble and maintain a leadership team with the integrity, skills and dedication to execute our initiatives. We believe that executive officer compensation can be used to help us meet these challenges by paying for performance, thereby aligning the interests of our executive officers with those of our shareholders.

***Executive Compensation Practices***

Our compensation program is designed to create value for our shareholders by rewarding performance and sustainable growth. The table below summarizes our current compensation practices as well as those practices we have not implemented because we do not believe they advance the goals of our compensation program.

**What We Do**

We provide compensation in the form of cash incentive awards based on achievement of annual performance goals and long-term equity compensation that promotes sustained financial and operating performance by delivering value to executive officers to the extent our stock price increases over time. In 2011, approximately 75% of the compensation that we paid to our named executive officers was in the form of cash and equity incentive awards.

We have stock ownership requirements.

We impose restrictions on the number of shares that a named executive officer may sell.

We have a compensation recoupment, or claw back, policy.



#### **What We Don't Do**

We don't provide separate pension programs, a supplemental executive retirement plan or other post-retirement payments to our named executive officers.

We generally don't provide personal-benefit perquisites to our named executive officers as these do not directly contribute to enhancing shareholder value.

#### ***How Pay is Tied to Performance***

#### ***2011 Business Highlights***

Despite the current challenges in the global economy, we exceeded our financial targets in 2011, as further discussed below under *2011 Named Executive Officer Compensation Cash Incentive Awards*. We also continued to enhance our level of competitive differentiation through innovation and integration. As discussed further in this Compensation Discussion and Analysis, executive officer compensation for 2011 was paid or awarded in the context of this solid operating performance.

#### ***2011 Compensation Highlights***

We did not increase the base salary of our chief executive officer, and he received a cash incentive award equal to 120% of his target award because the target adjusted earnings per share performance goal was exceeded and the target adjusted internal revenue growth performance goal was met. The compensation committee granted our chief executive officer equity incentive awards above his target level, the majority of which were stock options, and those awards comprised 69% of his total compensation for 2011. We did not increase the base salaries of our other named executive officers in 2011 except for Mr. Gupta in connection with his promotion to Group President, Digital Payments. Similar to our chief executive officer, we paid cash incentive awards to the other named executive officers above target levels because we generated strong financial results in a challenging market. The other named executive officers also received annual equity incentive awards in 2011 generally above target levels reflecting the committee's belief that their performance will continue to positively impact our future operating results at or above expected levels.

#### **Compensation Philosophy and Objectives**

The goal of our executive compensation program is the same as our goal for operating our company: to create value for our clients and shareholders. To this end, we design our compensation program to reward our executive officers for sustained financial and operating performance and leadership excellence and to align their interests with those of our shareholders. This design is balanced by below median market compensation when company performance does not meet our goals.

Our executive officers are critical to our long-term success; therefore, we need to be competitive not only in our products and services but also in the quality of our executive officers. Accordingly, we seek to pay our executive officers at levels that are competitive with other employers who compete with us for talent, both within and outside of our industry, to encourage our executive officers to remain with the company for long and productive careers. We compensate our executive officers in a manner that seeks to achieve one or more of our performance, alignment or retention objectives. We also seek to structure our compensation plans in a manner that is understandable to our shareholders and that is consistent with good corporate governance practices.

#### **Determining Compensation**

#### ***The Compensation Committee's Role***

The compensation committee of the board of directors is responsible for overseeing executive officer compensation. Among other things, it approves compensation policies and employee benefit plans; approves executive officer compensation; reviews compensation-related risk; administers our equity incentive plans

including compliance with executive share ownership requirements; reviews shareholder proposals related to compensation matters; reviews our severance policies; and consults with management regarding employee compensation generally. With respect to executive officers, at the beginning of each year, the compensation committee sets base salaries, approves the cash and equity incentive awards, and establishes the objective performance targets to be achieved for the year.

***Consultants Role***

The committee did not engage or meet with a compensation consultant in 2011. Management engaged Towers Perrin to provide it with compensation consulting and data services at the end of 2010 as part of preparing its recommendations to the committee in early 2011.

***Management's Role***

Our chief executive officer makes recommendations to our compensation committee concerning the compensation of our other named executive officers. Our chief executive officer's recommendations relate only to the compensation of our other named executive officers, although performance measures included in his recommendations may apply generally to all of our named executive officers. Our chief executive officer does not attend the portion of any compensation committee meeting during which the committee discusses matters related specifically to his compensation. When formulating recommendations to the compensation committee regarding the compensation of a group president, for example, our chief executive officer considers, among other matters, the group's revenue growth and net operating profit as well as market and other available data. Our chief executive officer annually completes a self-appraisal of his performance. For 2011, his self-appraisal focused on strategic progress, financial results, client quality, culture, talent and succession, capital allocation, risk management, investor relations and leadership. The appraisal is considered by the committee in its annual review of our chief executive officer's performance and compensation.

***Tally Sheets***

The compensation committee reviews executive officer compensation tally sheets each year. These summaries set forth the dollar amount of all components of each named executive officer's compensation, including base salary, annual target cash incentive compensation, annual target equity incentive compensation, value of unvested equity, potential severance, and employer contributions to 401(k) savings plans, allowing the committee to see what an executive officer's total compensation is and how a potential change to an element of our compensation program would affect an executive officer's overall compensation.

***Shareholder Advisory Vote on Named Executive Officer Compensation***

At our 2011 annual meeting, our shareholders approved, by approximately 94% of the votes cast, the compensation of our named executive officers as disclosed in our 2011 proxy statement. The compensation committee considered the results of the 2011 advisory vote at its meeting in February 2012 as one factor in evaluating our executive compensation program. Because a substantial majority of our shareholders approved the compensation program described in the proxy statement for the 2011 annual meeting, the compensation committee did not implement changes to our executive compensation program as a result of the shareholder advisory vote. The compensation committee will continue to consider the results of shareholder advisory votes about our named executive officer compensation.

**Structuring Compensation**

*Components of Compensation*

The elements of compensation that we provided to our named executive officers for 2011 were base salary, annual cash incentive awards and equity incentive awards:

	<b>Elements</b>	<b>Description</b>
Short-Term Compensation	Base Salary	Fixed annual amount  Provides a level of income security  Used to determine pay-based benefits and target annual incentive awards
	Annual Cash Incentive	Annual cash award based on achievement of performance objectives
Long-Term Compensation	Stock Options and	
	Restricted Stock Units	Equity grants that vest over a period of several years

*Base Salary*

We provide base salary to compensate an executive officer for his or her regular work. When determining base salaries, the compensation committee considers: market data; company, business unit and individual performance; experience; internal pay equity; promotions; and, except in the case of the base salary of our chief executive officer, the recommendations of our chief executive officer. The committee may vary the amount of base salary for a number of reasons, including an executive officer's position and responsibilities, our business needs, the tenure of an executive officer, individual performance, and an executive officer's future potential.

*Cash Incentive Award*

We believe it is important to provide annual cash incentives to motivate our executive officers to attain specific short-term performance objectives that, in turn, further our achievement of long-term objectives. We seek to offer cash awards in large enough proportion to base salary to ensure that a significant portion of each executive officer's cash compensation is at risk and payable only upon the achievement of defined objectives. Our compensation committee annually determines the performance goals for and potential amounts of our cash incentive awards.

*Equity Incentive Award*

We provide compensation to our named executive officers in the form of time-vesting stock options and restricted stock units. Stock options are inherently performance-based because they deliver compensation to an executive officer to the extent our stock price increases over the term of the award. Restricted stock units are units that are settled in shares of common stock upon vesting. We believe restricted stock units serve as a strong reward and retention device, encouraging our executive officers to stay with the company until the restricted stock units vest.

We believe that providing combined grants of stock options and restricted stock units effectively balances our objective of focusing our executive officers on delivering long-term value to our shareholders with our objective of providing value to executive officers. The compensation committee determines the mix of options and restricted stock units each year that it believes achieves this balance best. In addition, equity awards support our objective of aligning our executive officers' interest with those of our shareholders by tying the value of this component of compensation to changes in shareholder value. When making equity award decisions, we do not consider existing stock ownership levels because we do not want to discourage executive officers from holding

significant amounts of our common stock. We also do not review wealth accumulation analyses from prior equity awards when making current compensation decisions. If the value of equity awards granted in prior years increases significantly in future years, we do not believe that this positive development should negatively impact current compensation decisions.

*Mix of Compensation Components*

We believe that the mix of compensation that we pay helps us to achieve our compensation objectives.

Fixed and variable compensation	We seek to increase the percentage of total pay that is at risk as executive officers move to greater levels of responsibility, with direct impact on company results.
Short-term and long-term focus	We seek to create incentives to achieve near-term goals by providing annual cash incentives, which are based on annual performance measures. We seek to create incentives to achieve long-term goals by granting equity awards with multi-year vesting periods, the ultimate value of which depends on our share price. These awards promote retention and further align the interests of our executive officers and shareholders.
Cash and equity compensation	We believe that executive officers in positions that more directly affect corporate performance should have as their main priority profitably growing the company. Accordingly, we generally structure the target compensation of these executive officers so that they receive a significant portion of their compensation in the form of equity. Using equity in this manner further aligns executive officers' interests with those of our shareholders, encourages retention, and rewards our executive officers if we succeed.

*Peer Group*

Consistent with Fiserv's pay for performance philosophy, the compensation committee strives to set executive officer base salaries at a level that is comparable to the 50<sup>th</sup> percentile of our peers and provides for total compensation at a level comparable to the 50<sup>th</sup> percentile of our peers for median performance with an opportunity for 75<sup>th</sup> percentile compensation for superior performance. To determine peer group compensation for an executive officer, the committee reviewed publicly available proxy and survey data regarding comparable executive officer positions and the compensation paid to our other executive officers in light of their relative functional responsibilities and experience. Notwithstanding the use of benchmarking as a tool to set compensation, comparison data only provides a context for the decisions that the compensation committee makes. The committee also considers, among other matters, market trends in executive compensation and the percentage that each component of compensation comprises of an executive officer's total compensation. The peer group that we used for 2011 is set forth below:

Alliance Data Systems Corporation	Equifax Inc.	Paychex, Inc.
Automatic Data Processing, Inc.	Fidelity National Information Services, Inc.	Total System Services, Inc.
Convergys Corporation	Intuit Inc.	Unisys Corporation
Discover Financial Services	Jack Henry & Associates, Inc.	Visa Inc.
DST Systems, Inc.	MasterCard Incorporated	The Western Union Company
The Dun & Bradstreet Corporation	NCR Corporation	

We believe our peer group is comprised of companies directly comparable to ours based on our industry, company size and competition for managerial talent. In this regard, we include: companies that directly compete with us in our primary businesses; companies with similar business models in similar industries because they

reflect the complexities inherent in managing an organization with multiple business lines and revenue sources; other publicly traded business-to-business, service-based companies that are of similar size based primarily on annual revenue and market capitalization; and companies that compete with us for managerial talent. Based on our analysis, for 2011, the base salaries of our named executive officers were below the 50<sup>th</sup> percentile of our peers, and total compensation of our named executive officers was generally at the 50<sup>th</sup> percentile of our peers, although certain of the named executive officers were above, and others were below, such mark.

## **2011 Named Executive Officer Compensation**

### ***Base Salaries***

We have not increased the base salary of our chief executive officer in the last six years or our chief financial officer in the last five years. In addition, the base salary of Mr. Warsop has remained unchanged since 2008. Our compensation committee elected to maintain the base salary amounts for these named executive officers in order to increase the proportion of overall compensation that is at risk. Mr. Gupta's base salary was increased in October 2011 from \$400,000 to \$420,000 in connection with his promotion. Prior to that, his base salary had not increased since he joined our company in 2006. When Mr. Ernst joined Fiserv, the committee set his base salary to deliver a mix of compensation aimed at performance with salary reflecting 25% of his overall target compensation.

### ***Cash Incentive Awards***

#### *Certain Terminology*

In this section of the proxy statement, we use a number of financial terms. Set forth below is a description of these terms:

Adjusted earnings per share is calculated as earnings per share from continuing operations in accordance with generally accepted accounting principles excluding merger and integration-related costs, severance costs, amortization of acquisition-related intangible assets, losses on early debt extinguishment and certain other non-operating gains and losses.

Adjusted internal revenue growth is measured as the increase in adjusted revenue, excluding