



January 17, 2006

Fiserv and Retail Credit Solutions Announce Agreement to Provide Processing for Private-Label Credit Card Programs

LAKE MARY, Fla.--Jan. 17, 2006--Fiserv Credit Processing Services, a unit of Fiserv, Inc. (Nasdaq:FISV), announced that Retail Credit Solutions (RCS), LLC, a full-service provider of complementary solutions for retailers' private-label credit card programs, selected the Fiserv PLUS System to provide account management processing services.

Based in Bannockburn, Ill., RCS provides account management solutions for private-label credit cards. RCS focuses on small to mid-sized retailers that historically have been underserved by the major private-label servicers.

"RCS selected the Fiserv solution based on its proven ability to support innovative, client-focused credit products. Our experience in delivering these systems within the private-label sector will enable RCS to go to market with a highly flexible set of account management tools," said Dave Merrick, vice president of sales for Fiserv Credit Processing Services.

Due to consolidation in the private-label environment, there are only a limited number of opportunities to service the small to mid-sized market with a comprehensive solution, such as the PLUS System, Merrick said.

"The unique retail experience of RCS founder and principal, Brett Levy, coupled with our expert processing solution, will make it possible for retailers to control their receivables, yet not have to manage them or invest in the infrastructure or personnel to compete effectively in today's highly competitive market," Merrick said. The RCS business model allows an issuer to select their services on either a funded or non-funded basis.

RCS' Levy said he could see the opportunities in private-label processing from working at processing banks that own or manage such programs. Among his experiences, Levy ran an in-house credit card program for Gottschalks Department Stores, which has nearly 80 stores in the Western U.S. In addition, he managed a team at Household Finance that handled some of that organization's larger clients, including QVC, Costco, Value City Department Stores and Bowflex®.

Levy said high-margin retailers need to see a profit on every sale and want higher approval rates for their private-label credit cards, while the banks make their money on the card portfolios. This sets up a situation where the retailer requires a higher approval rate than may be available to them through existing servicing models, he said.

"What we're trying to offer the retailers is a solution that gives them that extra approval rate," Levy said. "We're underwriting some of the mid-level risk accounts and, in some cases, approving accounts that the banks will not approve. For example, we're currently managing a full-service solution for Samuels Jewelers where we handle every aspect of the service."

Through the use of Fiserv's PLUS System, RCS manages the Austin, Texas-based jeweler's private-label credit card applications, as well as the underwriting, billing, collections and customer service. "It's a comprehensive solution for Samuels to drive profitable sales through their own card," Levy said.

Levy said his previous experience with the PLUS System solidified his choice of Fiserv. Gottschalks, Levy said, used the PLUS System as its credit applications jumped from 2,000 a month to 2,000 a day in just a few years. Levy said he was familiar with the software package and the people who supported it.

"It was only natural for me to use the product and partner with the people. Fiserv has always provided the highest level of professional partnership and they can be relied on to be responsive and knowledgeable," Levy said.

RCS's rollout was very much dependent on the successful implementation of the PLUS System for its first client, Samuels Jewelers, which in turn was facing its own deadline - the Christmas shopping season. "We barely had three months to build our infrastructure for a fully functional credit operation," Levy said. "Even if we had 12 months lead time, regardless of cost, we could not have successfully built the functionality from scratch."

Levy said there were many reasons behind his decision to partner with Fiserv. "The software has set a standard in the industry since it is used by many of the largest banks and retailers around the world," he said. "Remarkably, Fiserv has employed many of the same analysts and programmers who designed and wrote the very comprehensive software product that is in use today. This expertise is invaluable in meeting client demands."

"Reliability was another major factor in choosing Fiserv," Levy added. "Retailers need to be ringing sales with operational systems, especially at Christmas time. In-house programs, and sometimes major financing service providers, can fail to provide up-time when it is critically needed. I am completely satisfied with my decision to outsource, and to do so with Fiserv. My program team has helped me with my entire launch plan, including all of the required system integrations."

Retail Credit Solutions (RCS), LLC provides full-service private-label credit card programs to retailers and their customers. Meeting the needs of retailers with private-label volume of \$20 million to \$400 million, RCS will manage all aspects of the proprietary credit card program including financing options. Unlike most servicing and financing solutions in the industry, all RCS programs are customized, providing the retailer with fully funded and service-only options. RCS allows the retailer to determine the appropriate underwriting and servicing criteria to generate optimum sales and profit. Retail Credit Solutions, LLC is an Illinois company with operations in Fresno and Sacramento, Calif., and West Jordan, Utah.

Fiserv, Inc. (Nasdaq:FISV) provides information management systems and services to the financial and health benefits industries, including transaction processing, outsourcing, business process outsourcing and software and systems solutions. The company serves more than 16,000 clients worldwide, including banks, credit unions, financial planners/investment advisers, insurance companies and agents, self-insured employers, lenders and savings institutions. Headquartered in Brookfield, Wis., Fiserv reported \$3.4 billion in processing and services revenues for 2004. Fiserv was ranked the largest provider of information technology services to the U.S. financial services industry in the 2004 and 2005 FinTech 100 surveys by the American Banker newspaper and the Financial Insights research firm. Fiserv can be found on the Internet at www.fiserv.com.