



May 7, 2008

Fiserv's FraudNet™ Prevents More than \$287 Million in Fraud Losses Since Its Inception

The CheckFree service blocks more than 21,000 attempted fraudulent bill payment transactions for 462 financial institutions

BROOKFIELD, Wis., May 07, 2008 (BUSINESS WIRE) -- Fiserv, Inc. (NASDAQ: FISV), a leading provider of information technology services to the financial and insurance industries, today announced that the CheckFree FraudNet(TM) automated fraud detection and case management system has blocked more than 21,000 attempted fraudulent bill payment transactions totaling \$287.9 million since the service went live in November 2005.

While the actual incidence of fraud for electronic payments is low, FraudNet provides a powerful solution for financial institutions to lower fraud rates even further. The FraudNet service is part of a suite of fraud prevention solutions offered by Fiserv that helps detect and mitigate fraud from log-in authentication to back-end payment processing, resulting in a lower cost of ownership in the online channel for financial institutions.

FraudNet provides automated fraud detection and prevention for 462 of the nation's financial institutions. These customers have deployed FraudNet to help mitigate the risk of attempted fraudulent bill payment transactions for their institutions and their customers, while complying with Federal Financial Institutions Examination Council (FFIEC) regulations.

FraudNet is a centralized fraud detection and integrated case management system that scores each online bill payment and halts the processing of suspicious transactions until they have been reviewed by fraud specialists. By detecting suspicious scenarios and examining behavioral patterns, Fiserv continually updates its business rules with real-time intelligence that identifies new types of fraudulent activity. Both consumer behaviors and merchant transaction activities are analyzed. The sophisticated FraudNet engine leverages advanced algorithms and proprietary negative file history, making it extremely accurate in detecting fraudulent transactions.

CheckFree FraudNet has resulted in savings for large financial institutions and community institutions alike. Using FraudNet, a top-10 financial institution proactively detected and stopped more than \$7.4 million in electronic payment fraud in a single month, while a regional bank halted approximately \$308,000 in attempted fraud during a four-month period.

Since its implementation in October 2007, FraudNet has helped PSCU Financial Services, the nation's largest credit union service organization, minimize fraud. Monthly, PSCU Financial Services credit unions generate in excess of 2.8 million online bill payments. FraudNet has enabled PSCU Financial Services fraud representatives to halt \$203,000 in attempted fraudulent online bill payments.

"CheckFree FraudNet is a powerful tool for our credit unions in the battle against attempted fraud," David Serlo, chief executive officer, PSCU Financial Services. "Since FraudNet detects and prevents fraudulent payments from being processed, this tool provides our credit unions with added peace of mind about the security of our PayLynx(TM) online bill payment service, which is also provided through CheckFree."

Designed to ensure that online transactions remain safer for consumers than paper-based transactions, CheckFree FraudNet was developed as a powerful solution for monitoring and stopping fraudulent transactions before they are processed. Due to stringent fraud management practices at financial institutions and increased consumer awareness, the actual instances of fraud involving online banking and electronic payment services have historically been low in comparison to other types of transactions. Still, one of the main barriers to online bill payment adoption remains concerns over online security, and FraudNet was designed to help alleviate those concerns.

"FraudNet's strength lies in the ability to leverage advanced algorithms and a powerful network of financial institutions sharing negative file data," said Todd Leshner, executive vice president and general manager of CheckFree Electronic Banking Services, now part of Fiserv. "While attempted online bill payment fraud is minimal relative to other channels, FraudNet enables us to work closely with our financial institution customers to remain vigilant and protect this important channel as a safe and trusted place for consumers to use in conducting their financial transactions."

According to a study released in January 2008 by Javelin Strategy & Research, overall identity fraud declined by 12 percent in 2007. However, the average time to resolve new fraud cases increased 23 percent from 40 to 49 hours. By automating detection and prevention efforts for electronic payments, FraudNet helps reduce the time and resources required by financial institutions to manage potential fraud cases to as little as 15 minutes or \$12.50 per case. This compares to the industry average of 49 hours or \$2,450 per case, based on a total employee cost of \$50 per hour. By accelerating financial institutions' ongoing fraud investigations, FraudNet can help financial institutions achieve a return on investment in the service in as little as one week, which lowers their overall total cost of ownership for the electronic payment service.

"Identity fraud is a complex, continually evolving crime that often involves multiple sources and methods. Businesses and consumers must fight back with robust fraud mitigation strategies across multiple channels," said Jim Van Dyke, president of Javelin Strategy & Research. "Financial institutions need to continue to develop and refine their fraud controls to combat the ever-changing fraud landscape, while providing consumers with the knowledge and tools to prevent detect and resolve fraud."

FraudNet enables customers to feel comfortable replacing traditional paper financial transactions with electronic versions. According to Javelin Strategy & Research identity fraud is more frequently committed using traditional methods - a lost or stolen wallet, access of account information from paper mail and trash, and via telephone - and more frequently perpetrated by people the victims know rather than by hackers who use malicious spyware, viruses and malware to compromise user identifications and passwords and invade accounts.

Americans who monitor their financial accounts online detect fraud more quickly than those who rely on other methods, which is why the 2008 Javelin Strategy & Research identity fraud study recommends that consumers move financial transactions online. For educational tips on how to make the switch to electronic transactions, please access www.checkfree.com/idprotect.

Fiserv, Inc. and CheckFree are committed to educating consumers and businesses through the PayItGreen(TM) campaign about the environmental benefits of choosing electronic billing, statements, and payments instead of paper. Learn more at www.payitgreen.org.

About PSCU Financial Services

Based in St. Petersburg, Florida, PSCU Financial Services is the nation's largest credit union service organization (CUSO) and serves more than 1,100 financial institutions nationwide. As a non-profit cooperative, the company is owned by more than 500 member credit unions representing more than 11 million cardholder accounts and more than 580,000 online bill payment subscribers. Its Contact Center handles more than 14 million inquiries a year. PSCU Financial Services maintains an Eastern operations center in St. Petersburg, Florida, and a Western operations center based in Phoenix, Arizona. The cooperative's wholly owned subsidiary, Digital Dialogue, operates two 24/7 call centers in Detroit, Mich., that specialize in member services, new member acquisition, cross-selling and automated lending solutions.

Established in 1977, the company provides a broad array of cost-effective, high quality financial services that include credit, debit, ATM, prepaid, bill payment and contact center solutions. PSCU Financial Services uniquely offers its members a full range of processing options, any combination from full service to in-house pass through processing for credit, debit and ATM transactions. As a leader in the credit union movement, the company offers gateway access to national and regional networks. It also provides full function ATM terminal driving services. For more information, visit the company's Web site at www.pscufs.com.

About Fiserv, Inc.

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

FISV-G

SOURCE: Fiserv, Inc.

CheckFree, now part of Fiserv
Internet Banking and Payments Group

Sheryl Roehl
Director, Public Relations
678-375-1682
saroehl@checkfree.com

or

Fiserv

Lori Stafford
Assistant Vice President Corp. External Comm.
262-879-5130
Lori.stafford@fiserv.com

Copyright Business Wire 2008

News Provided by COMTEX