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Fiserv Clients Report Fiserv Risk Management Solutions Reduce Card-Not-Present Fraud

- ┆ Clients report substantial fraud reduction vs. industry standard fraud loss of 8.3 basis points
- ┆ An integrated and coordinated risk management solution enables Fiserv clients to build a seamless, multilayered defense against increasingly complex fraud scenarios
- ┆ Risk solution sets from Fiserv can save financial institutions \$60 million annually in aggregate fraud loss avoidance for both CNP and card present transactions

BROOKFIELD, Wis.--(BUSINESS WIRE)-- [Fiserv](#), Inc. (NASDAQ: FISV), a leading global provider of financial services technology solutions, today announced its clients have begun reporting the results of using Fiserv tools and services to combat card-not-present (CNP) fraud. Using the benchmark industry standard fraud loss of 8.3 basis points (bps), Fiserv clients are performing significantly better than their peers.

According to its calculations, Fiserv expects to save its clients who leverage Fiserv integrated and coordinated risk management solutions \$60 million in fraud losses each year, in the aggregate, for both CNP and card present transactions.

In fact, Client Fort Lee Credit Union experienced a CNP fraud rate of .46 bps year-to-date (YTD), client Farmers & Merchants State Bank experienced .64 bps YTD, client BankFive experienced .77 bps YTD and client Erie Community Credit Union experienced .4 bps YTD, all significantly below the benchmark industry standard.

Industry experts expect a dramatic rise in CNP fraud despite the deployment of the Europay, MasterCard, Visa (EMV) standard in the U.S., because EMV combats only card present fraud at the point-of-sale. As consumers increasingly rely on online platforms for their daily transactions, new security measures are needed to separate customers from criminals.

"Investing in Fiserv as our partner in fraud mitigation has provided a great return on investment," said Inga Hovhannisyan, vice president, Operations & Compliance, Fort Lee Credit Union. "Our CNP fraud rate of 0.46 bps speaks volumes to the success we have had in mitigating CNP fraud with Fiserv. We find the Fiserv approach to fighting CNP fraud to be forward thinking, proactive and creative."

Fiserv is helping clients to use holistic fraud detection strategies that combine risk solutions with personal, hands-on investigative and support services. The overall approach complements EMV and employs best practices including real-time transaction scoring, blocking suspected fraudulent transactions, real-time case management and monitoring, and tracking and monitoring fraud alerts on compromised cards - and the deployment of dedicated risk analysts.

"Our Fiserv risk analyst is very knowledgeable of the card fraud trends and provides effective measures to mitigate fraud losses," said Jane C Bruner, vice president, Operations Systems Manager, Farmers & Merchants State Bank. "The bottom line is very important to us and our stakeholders. Having a CNP fraud bps of 0.64 YTD does have a positive effect on the bottom line."

"Cards - debit, credit and prepaid -- are the payment method of choice for U.S. consumers, but their fraudulent use won't stop just because financial institutions aren't ready for it," said Patrick Davie, vice president of risk solutions, Card Services, Fiserv. "We are helping financial institutions find a balance between investigating fraud and processing consumer transactions quickly and efficiently. We make a concerted effort to gather and disseminate accurate intelligence needed to analyze trends, evaluate potential threats and continually improve our clients' ability to detect and prevent fraud."

"Fiserv provides a tremendous amount of resources and knowledge to effectively manage BankFive's fraud losses on a day-to-day basis," said William Eccles, Jr., president and CEO, BankFive. "At 0.77 fraud basis points YTD, we are performing significantly better than the industry standard of 8.3 bps and are not overly concerned about the possibility of CNP fraud losses."

"Achieving the right balance between aggressive fraud detection and serving our members is a delicate business," said Christine Rodrigues, CCUE, accounting manager, Erie Community Credit Union. "This is why we rely on Fiserv to help us

and we are delighted at our results of 0.40 fraud basis points YTD."

About Fiserv

This year, Fiserv, Inc. (NASDAQ: FISV) celebrates 30 years of leadership in financial services technology. As one of FORTUNE® magazine's World's Most Admired Companies, Fiserv is helping clients worldwide achieve best-in-class results by driving innovation in payments, processing services, risk and compliance, customer and channel management, and business insights and optimization. For more information, visit www.fiserv.com.

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