UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended September 30, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from __________ to __________

Commission File Number 0-14948

FISERV, INC.
(Exact Name of Registrant as Specified in Its Charter)

WISCONSIN **(State or Other Jurisdiction of Incorporation or Organization)**	**39-1506125** **(I. R. S. Employer Identification No.)**
255 FISERV DRIVE, BROOKFIELD, WI **(Address of Principal Executive Offices)**	**53045** **(Zip Code)**

(262) 879-5000
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 24, 2013, there were 128,969,152 shares of common stock, $.01 par value, of the registrant outstanding.

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

Fiserv, Inc.
Consolidated Statements of Income
(In millions, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenue:				
Processing and services	$ 1,016	$ 922	$ 2,997	$ 2,724
Product	185	185	554	567
Total revenue	1,201	1,107	3,551	3,291
Expenses:				
Cost of processing and services	520	486	1,565	1,451
Cost of product	164	150	511	464
Selling, general and administrative	237	206	711	615
Total expenses	921	842	2,787	2,530
Operating income	280	265	764	761
Interest expense	(41)	(48)	(123)	(135)
Interest and investment income	—	—	—	6
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	239	217	641	632
Income tax provision	(79)	(80)	(218)	(207)
Income from investment in unconsolidated affiliate	1	3	7	9
Income from continuing operations	161	140	430	434
Loss from discontinued operations, net of income taxes	(2)	(1)	(3)	(2)
Net income	$ 159	$ 139	$ 427	$ 432
Net income (loss) per share—basic:				
Continuing operations	$ 1.24	$ 1.04	$ 3.26	$ 3.18
Discontinued operations	(0.02)	(0.01)	(0.02)	(0.01)
Total	$ 1.22	$ 1.03	$ 3.24	$ 3.16
Net income (loss) per share—diluted:				
Continuing operations	$ 1.22	$ 1.03	$ 3.22	$ 3.14
Discontinued operations	(0.02)	(0.01)	(0.02)	(0.01)
Total	$ 1.21	$ 1.02	$ 3.19	$ 3.12
Shares used in computing net income (loss) per share:				
Basic	129.9	134.9	132.0	136.6
Diluted	131.9	136.6	133.8	138.3

See accompanying notes to consolidated financial statements.

Fiserv, Inc.
Consolidated Statements of Comprehensive Income
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income	$ 159	$ 139	$ 427	$ 432
Other comprehensive income (loss):				
Fair market value adjustment on cash flow hedges, net of income taxes of $1 million, $1 million and $8 million	—	(2)	(2)	(12)
Reclassification adjustment for net realized losses on cash flow hedges included in interest expense, net of income taxes of $1 million, $7 million, $4 million and $16 million	2	10	7	24
Foreign currency translation	2	4	(8)	5
Total other comprehensive income (loss)	4	12	(3)	17
Comprehensive income	$ 163	$ 151	$ 424	$ 449

See accompanying notes to consolidated financial statements.

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Fiserv, Inc.
Consolidated Balance Sheets
(In millions)
(Unaudited)

	September 30, 2013	December 31, 2012
Assets		
Cash and cash equivalents	$ 321	$ 358
Trade accounts receivable, net	710	661
Deferred income taxes	54	42
Prepaid expenses and other current assets	442	349
Assets of discontinued operations	—	33
Total current assets	1,527	1,443
Property and equipment, net	259	248
Intangible assets, net	2,180	1,744
Goodwill	5,217	4,705
Other long-term assets	273	357
Total assets	$ 9,456	$ 8,497
Liabilities and Shareholders’ Equity		
Accounts payable and accrued expenses	$ 826	$ 721
Current maturities of long-term debt	2	2
Deferred revenue	400	379
Liabilities of discontinued operations	—	3
Total current liabilities	1,228	1,105
Long-term debt	3,929	3,228
Deferred income taxes	683	638
Other long-term liabilities	156	109
Total liabilities	5,996	5,080
Commitments and contingencies		
Shareholders’ equity:		
Preferred stock, no par value: 25.0 million shares authorized; none issued	—	—
Common stock, $0.01 par value: 450.0 million shares authorized; 197.9 million shares issued	2	2
Additional paid-in capital	832	804
Accumulated other comprehensive loss	(63)	(60)
Retained earnings	6,377	5,950
Treasury stock, at cost, 68.6 million and 64.5 million shares	(3,688)	(3,279)
Total shareholders’ equity	3,460	3,417
Total liabilities and shareholders’ equity	$ 9,456	$ 8,497

See accompanying notes to consolidated financial statements.

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Fiserv, Inc.
Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2013	2012
Cash flows from operating activities:		
Net income	$ 427	$ 432
Adjustment for discontinued operations	3	2
Adjustments to reconcile net income to net cash provided by operating activities from continuing operations:		
Depreciation and other amortization	145	142
Amortization of acquisition-related intangible assets	156	120
Share-based compensation	37	35
Deferred income taxes	(11)	(11)
Non-cash impairment charge	30	—
Dividend from unconsolidated affiliate	6	—
Settlement of interest rate hedge contracts	—	(88)
Other non-cash items	(16)	(20)
Changes in assets and liabilities, net of effects from acquisitions:		
Trade accounts receivable	(7)	24
Prepaid expenses and other assets	(51)	(47)
Accounts payable and other liabilities	(12)	(16)
Deferred revenue	(26)	(31)
Net cash provided by operating activities from continuing operations	681	542
Cash flows from investing activities:		
Capital expenditures, including capitalization of software costs	(171)	(145)
Payments for acquisitions of businesses, net of cash acquired	(30)	—
Dividend from unconsolidated affiliate	116	—
Net proceeds from sale of investments	2	27
Other investing activities	(1)	(3)
Net cash used in investing activities from continuing operations	(84)	(121)
Cash flows from financing activities:		
Proceeds from long-term debt	1,319	994
Repayments of long-term debt	(1,574)	(946)
Issuance of treasury stock	37	80
Purchases of treasury stock	(455)	(580)
Other financing activities	12	1
Net cash used in financing activities from continuing operations	(661)	(451)
Net change in cash and cash equivalents from continuing operations	(64)	(30)
Net cash flows from discontinued operations	27	—
Beginning balance	358	337
Ending balance	$ 321	$ 307
Discontinued operations cash flow information:		
Net cash (used in) provided by operating activities	$ (8)	$ 2
Net cash provided by (used in) investing activities	35	(2)
Net change in cash and cash equivalents from discontinued operations	27	—
Net cash flows to continuing operations	(27)	—
Beginning balance—discontinued operations	—	—
Ending balance—discontinued operations	$ —	$ —

See accompanying notes to consolidated financial statements.

Fiserv, Inc.
Notes to Consolidated Financial Statements
(Unaudited)

1. Principles of Consolidation

The consolidated financial statements for the three-month and nine-month periods ended September 30, 2013 and 2012 are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of the consolidated financial statements have been included. Such adjustments consisted of normal recurring items. Interim results are not necessarily indicative of results for a full year. The consolidated financial statements and accompanying notes are presented as permitted by Form 10-Q and do not contain certain information included in the annual consolidated financial statements and accompanying notes of Fiserv, Inc. (the “Company”). These interim consolidated financial statements should be read in conjunction with the consolidated financial statements and accompanying notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2012.

The consolidated financial statements include the accounts of Fiserv, Inc. and all 100% owned subsidiaries. Investments in less than 50% owned affiliates in which the Company has significant influence but not control are accounted for using the equity method of accounting. All intercompany transactions and balances have been eliminated in consolidation.

2. Fair Value Measurements

The Company applies fair value accounting for all assets and liabilities that are recognized or disclosed at fair value in its consolidated financial statements on a recurring basis. Fair value represents the amount that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, the Company considers the principal or most advantageous market and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability.

The fair values of cash equivalents, trade accounts receivable, settlement assets and obligations, and accounts payable approximate their respective carrying values due to the short period of time to maturity. The estimated fair value of total debt was $4.0 billion at September 30, 2013 and $3.5 billion at December 31, 2012 and was estimated using discounted cash flows based on the Company’s current incremental borrowing rates or quoted prices in active markets (level 2 of the fair value hierarchy).

3. Acquisition

On January 14, 2013, the Company acquired Open Solutions Inc. (“Open Solutions”), a provider of account processing technology for financial institutions, for a cash purchase price of $55 million. The Company also assumed approximately $960 million of debt in connection with the acquisition. This acquisition advances the Company’s go-to-market strategies by adding a number of products and services and by expanding the number of account processing clients to which the Company can provide its broad array of add-on products and services.

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The preliminary allocation of purchase price recorded for Open Solutions is as follows:

(In millions)	
Cash and cash equivalents	$ 39
Trade accounts receivable	41
Prepaid expenses and other current assets	41
Intangible assets	571
Goodwill	510
Other long-term assets	18
Accounts payable and other current liabilities	(140)
Long-term debt, less current maturities	(952)
Other long-term liabilities	(73)
Total cash purchase price	$ 55

The cash purchase price and repayment of assumed debt were funded utilizing a combination of available cash and existing availability under the Company's revolving credit facility. The amounts attributed to goodwill and identified tax assets are based on preliminary valuations and are subject to final adjustment. The preliminary purchase price allocation resulted in goodwill, included within the Financial Institution Services ("Financial") segment, of approximately $510 million, of which $161 million is expected to be deductible for tax purposes. Such goodwill is primarily attributable to synergies with the products and services that Open Solutions provides and the anticipated value created by selling the Company's products and services to Open Solutions' existing client base. The values allocated to intangible assets are as follows:

(In millions)	Gross Carrying Amount	Weighted-Average Useful Life
Customer related intangible assets	$ 460	20 years
Acquired software and technology	105	7 years
Trade name	6	10 years
	$ 571	

The results of operations for Open Solutions, including $69 million and $204 million of revenue, respectively, during the three and nine months ended September 30, 2013, have been included within the Financial segment from the date of acquisition. As a result of the acquisition, the Company has incurred merger and integration costs, including a $30 million non-cash impairment charge related to the Company's decision to replace its Acumen® account processing platform with DNA™, an Open Solutions account processing platform. The Acumen platform costs were recorded as capitalized software and included in the Financial segment assets. The related impairment charge was recorded in cost of product within the Corporate and Other segment in the first quarter of 2013 as this charge is excluded from the Company's measure of the Financial segment's operating performance.

The following unaudited supplemental pro forma information presents the Company's results of operations as though the acquisition of Open Solutions had occurred on January 1, 2012. This information is presented for informational purposes and is not necessarily indicative of the Company's operating results which would have occurred had the acquisition been consummated as of that date. The pro forma information presented below does not include anticipated synergies, the impact of purchase accounting adjustments or certain other expected benefits of the acquisition and should not be used as a predictive measure of our future results of operations.

	(Pro Forma Unaudited)	
(In millions, except per share data)	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Total revenue	$ 1,187	$ 3,542
Net income	$ 141	$ 443
Net income per share—basic	$ 1.04	$ 3.24
Net income per share—diluted	$ 1.03	$ 3.20

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4. Discontinued Operations

On March 14, 2013, the Company sold its club solutions business (“Club Solutions”) for approximately $37 million in cash at closing. The assets, liabilities, results of operations and cash flows of Club Solutions, which were previously included within the Payments and Industry Products (“Payments”) segment, have been reported as discontinued operations in the accompanying consolidated financial statements for all periods presented. During 2013, Club Solutions revenue was $10 million, and the Company recognized a $4 million loss, net of income taxes, on the sale of the business. Club Solutions revenue was $12 million and $35 million during the three and nine months ended September 30, 2012, respectively. The assets of discontinued operations at December 31, 2012 primarily consist of intangible assets, including software, customer related intangibles and goodwill.

5. Share-Based Compensation

The Company recognized $11 million and $37 million of share-based compensation expense during the three and nine months ended September 30, 2013, respectively, and $10 million and $35 million of share-based compensation expense during the three and nine months ended September 30, 2012, respectively. The Company’s annual grant of share-based awards generally occurs in the first quarter. During the nine months ended September 30, 2013, the Company granted 1.0 million stock options and 0.5 million restricted stock units at weighted-average estimated fair values of $25.33 and $81.97, respectively. During the nine months ended September 30, 2012, the Company granted 1.0 million stock options and 0.4 million restricted stock units at weighted-average estimated fair values of $21.59 and $65.42, respectively. During the nine months ended September 30, 2013 and 2012, stock options to purchase 0.5 million shares and 1.7 million shares, respectively, were exercised.

6. Shares Used in Computing Net Income Per Share

The computation of shares used in calculating diluted net income per common share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2013**	**2012**	**2013**	**2012**
Weighted-average shares outstanding used for the calculation of net income per share—basic	129.9	134.9	132.0	136.6
Common stock equivalents	2.0	1.7	1.8	1.7
Total shares used for the calculation of net income per share—diluted	131.9	136.6	133.8	138.3

For each of the three-month periods ended September 30, 2013 and 2012, stock options for 0.9 million shares were excluded from the calculation of diluted weighted-average outstanding shares because their impact was anti-dilutive. For the nine months ended September 30, 2013 and 2012, stock options for 0.8 million and 1.5 million shares, respectively, were excluded from the calculation of diluted weighted-average outstanding shares because their impact was anti-dilutive.

7. Intangible Assets

Intangible assets consisted of the following:

(In millions) September 30, 2013	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer related intangible assets	$ 2,155	$ 634	$ 1,521
Acquired software and technology	493	271	222
Trade names	120	36	84
Capitalized software development costs	642	370	272
Purchased software	294	213	81
Total	$ 3,704	$ 1,524	$ 2,180

(In millions) December 31, 2012	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer related intangible assets	$ 1,695	$ 534	$ 1,161
Acquired software and technology	378	222	156
Trade names	114	29	85
Capitalized software development costs	667	398	269
Purchased software	325	252	73
Total	$ 3,179	$ 1,435	$ 1,744

The Company estimates that annual amortization expense with respect to acquired intangible assets, which include customer related intangible assets, acquired software and technology, and trade names, will be approximately $210 million in 2013, approximately $200 million in 2014, approximately $190 million in 2015, approximately $150 million in 2016 and approximately $140 million in 2017. Annual amortization expense in 2013 with respect to capitalized and purchased software is estimated to approximate $110 million.

8. Investment in Unconsolidated Affiliate

The Company owns a 49% interest in StoneRiver Group, L.P. (“StoneRiver”), which is accounted for as an equity method investment, and reports its share of StoneRiver’s net income as income from investment in unconsolidated affiliate. The Company’s investment in StoneRiver was $78 million at December 31, 2012 and was reported within other long-term assets in the consolidated balance sheet. In the second quarter of 2013, the Company received a $122 million cash dividend from StoneRiver, distributed from excess proceeds from a recapitalization transaction. The dividend exceeded the Company’s investment carrying amount, resulting in the reduction of its investment balance to zero, with the excess cash dividend recorded within other long-term liabilities in the consolidated balance sheet. At September 30, 2013, the Company’s carrying amount was $35 million and was reported within other long-term liabilities in the consolidated balance sheet. Although the Company does not maintain a legal obligation to fund any of the liabilities or potential operating deficits of StoneRiver, it intends to provide future financial support, based upon its continuing assessment of various factors, should the need arise. A portion of the dividend, $6 million, represents a return on the Company’s investment and was reported as cash flows from operating activities.

9. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following:

(In millions)	September 30, 2013	December 31, 2012
Trade accounts payable	$ 61	$ 97
Settlement obligations	239	216
Client deposits	177	147
Accrued compensation and benefits	132	144
Other accrued expenses	217	117
Total	$ 826	$ 721

10. Long-Term Debt

The Company maintains a $2.0 billion revolving credit facility with a syndicate of banks. Borrowings under this facility bear interest at a variable rate, 1.3% at September 30, 2013, based on LIBOR plus a specified margin or the bank's base rate. There are no significant commitment fees and no compensating balance requirements. The facility expires on August 1, 2017 and contains various restrictions and covenants that require the Company, among other things, to (i) limit its consolidated indebtedness as of the end of each fiscal quarter to no more than three and one-half times consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments during the period of four fiscal quarters then ended, and (ii) maintain consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments of at least three times consolidated interest expense as of the end of each fiscal quarter for the period of four fiscal quarters then ended. During the first nine months of 2013, the Company was in compliance with all financial debt covenants. As of September 30, 2013, borrowings outstanding under the facility approximated $1.0 billion, primarily related to the funding of assumed debt from the acquisition of Open Solutions. The revolving credit facility was amended on October 25, 2013. See Note 14.

11. Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss, net of income taxes, consisted of the following:

(In millions)	Cash Flow Hedges	Foreign Currency Translation	Other	Total
Balance at December 31, 2012	$ (57)	$ (1)	$ (2)	$(60)
Other comprehensive loss before reclassifications	(2)	(8)	—	(10)
Amounts reclassified from accumulated other comprehensive loss	7	—	—	7
Net current-period other comprehensive (loss) income	5	(8)	—	(3)
Balance at September 30, 2013	$ (52)	$ (9)	$ (2)	$(63)

Based on the amounts recorded in accumulated other comprehensive loss at September 30, 2013, the Company estimates that it will recognize approximately $14 million in interest expense during the next twelve months related to settled interest rate hedge contracts.

12. Cash Flow Information

Supplemental cash flow information was as follows:

(In millions)	Nine Months Ended September 30, 2013	2012
Interest paid, including on assumed debt	$ 97	$ 105
Income taxes paid from continuing operations	238	246
Liabilities assumed in acquisitions of businesses	1,169	—
Treasury stock purchases settled after the balance sheet date	8	6

13. Business Segment Information

The Company’s operations are comprised of the Payments segment and the Financial segment. The Payments segment primarily provides electronic bill payment and presentment services, debit and other card-based payment products and services, internet and mobile banking software and services, and other electronic payments software and services, including account-to-account transfers and person-to-person payments. The businesses in this segment also provide investment account processing services for separately managed accounts, card and print personalization services, and fraud and risk management products and services. The Financial segment provides banks, thrifts and credit unions with account processing services, item processing and source capture services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Corporate and Other segment primarily consists of unallocated corporate expenses, amortization of acquisition-related intangible assets, intercompany eliminations and other costs that are not considered when management evaluates segment performance.

(In millions)	Payments	Financial	Corporate and Other	Total
Three Months Ended September 30, 2013				
Processing and services revenue	$ 480	$ 538	$ (2)	$1,016
Product revenue	151	42	(8)	185
Total revenue	$ 631	$ 580	$ (10)	$1,201
Operating income	$ 173	$ 194	$ (87)	$ 280
Three Months Ended September 30, 2012				
Processing and services revenue	$ 453	$ 473	$ (4)	$ 922
Product revenue	153	40	(8)	185
Total revenue	$ 606	$ 513	$ (12)	$1,107
Operating income	$ 166	$ 165	$ (66)	$ 265
Nine Months Ended September 30, 2013				
Processing and services revenue	$ 1,410	$ 1,595	$ (8)	$2,997
Product revenue	464	118	(28)	554
Total revenue	$ 1,874	$ 1,713	$ (36)	$3,551
Operating income	$ 518	$ 541	$ (295)	$ 764
Nine Months Ended September 30, 2012				
Processing and services revenue	$ 1,326	$ 1,407	$ (9)	$2,724
Product revenue	484	109	(26)	567
Total revenue	$ 1,810	$ 1,516	$ (35)	$3,291
Operating income	$ 481	$ 479	$ (199)	$ 761

Goodwill in the Payments segment was $3.4 billion as of September 30, 2013 and December 31, 2012. Goodwill in the Financial segment was $1.8 billion and $1.3 billion as of September 30, 2013 and December 31, 2012, respectively.

14. Subsequent Event

On October 25, 2013, the Company obtained a $900 million term loan under a new loan agreement with a syndicate of banks. This term loan bears interest at a variable rate, including based on LIBOR or the administrative agent's prime rate, in either case, plus a specified margin based on the Company's long-term debt rating in effect from time to time, and matures in October 2018. Scheduled principal payments of $90 million are due on the last business day of December of each year, commencing on December 31, 2014. In connection with the term loan financing, the Company entered into an amendment to its existing $2.0 billion revolving credit agreement that conformed certain of its provisions to those in the new term loan agreement and extended its maturity to October 2018. The revolving credit facility was previously scheduled to expire on August 1, 2017. The new term loan facility and amended revolving credit facility contain various restrictions and covenants substantially similar to those contained in the revolving credit facility described in Note 10. The Company used the net proceeds from the term loan to repay outstanding borrowings under the revolving credit facility. After such repayment, $75 million remains outstanding under the revolving credit agreement.

15. Subsidiary Guarantors of Long-Term Debt

Certain of the Company's 100% owned domestic subsidiaries ("Guarantor Subsidiaries") jointly and severally, and fully and unconditionally, guarantee the Company's indebtedness under its revolving credit facility, senior notes and term loan. Under the indentures governing the senior notes, a guarantee of a Guarantor Subsidiary will terminate upon the following customary circumstances: the sale of such Guarantor Subsidiary if such sale complies with the indenture; if such Guarantor Subsidiary no longer guarantees certain other indebtedness of the Company, including as a result of the release of the Guarantor Subsidiaries if Standard & Poor's and Moody's Investors Service, Inc. increase the Company's credit rating to A- and A3, respectively; or the defeasance or

discharge of the indenture. The following condensed consolidating financial information is presented on the equity method and reflects summarized financial information for: (a) the Company; (b) the Guarantor Subsidiaries on a combined basis; and (c) the Company's non-guarantor subsidiaries on a combined basis. The following condensed consolidating financial information reflects the reporting of Club Solutions as a discontinued operation for all periods presented.

Condensed Consolidating Statement of Income and Comprehensive Income

Three Months Ended September 30, 2013

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue:					
Processing and services	$ —	$ 731	$ 326	$ (41)	$ 1,016
Product	—	174	25	(14)	185
Total revenue	—	905	351	(55)	1,201
Expenses:					
Cost of processing and services	—	373	188	(41)	520
Cost of product	—	155	23	(14)	164
Selling, general and administrative	25	152	60	—	237
Total expenses	25	680	271	(55)	921
Operating income (loss)	(25)	225	80	—	280
Interest expense, net	(33)	(8)	—	—	(41)
Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate	(58)	217	80	—	239
Income tax (provision) benefit	28	(78)	(29)	—	(79)
Income from investment in unconsolidated affiliate	—	1	—	—	1
Equity in earnings of consolidated affiliates	191	—	—	(191)	—
Income from continuing operations	161	140	51	(191)	161
Loss from discontinued operations, net of income taxes	(2)	—	—	—	(2)
Net income	$ 159	$ 140	$ 51	$ (191)	$ 159
Comprehensive income	$ 163	$ 140	$ 53	$ (193)	$ 163

Condensed Consolidating Statement of Income and Comprehensive Income

Three Months Ended September 30, 2012

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue:					
Processing and services	$ —	$ 644	$ 319	$ (41)	$ 922
Product	—	165	33	(13)	185
Total revenue	—	809	352	(54)	1,107
Expenses:					
Cost of processing and services	—	348	179	(41)	486
Cost of product	—	145	18	(13)	150
Selling, general and administrative	27	126	53	—	206
Total expenses	27	619	250	(54)	842
Operating income (loss)	(27)	190	102	—	265
Interest expense, net	(32)	(14)	(2)	—	(48)
Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate	(59)	176	100	—	217
Income tax (provision) benefit	23	(66)	(37)	—	(80)
Income from investment in unconsolidated affiliate	—	3	—	—	3
Equity in earnings of consolidated affiliates	176	—	—	(176)	—
Income from continuing operations	140	113	63	(176)	140
(Loss) income from discontinued operations, net of income taxes	(1)	2	—	(2)	(1)
Net income	$ 139	$ 115	$ 63	$ (178)	$ 139
Comprehensive income	$ 151	$ 115	$ 67	$ (182)	$ 151

Condensed Consolidating Statement of Income and Comprehensive Income

Nine Months Ended September 30, 2013

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue:					
Processing and services	$ —	$ 2,168	$ 951	$ (122)	$ 2,997
Product	—	526	76	(48)	554
Total revenue	—	2,694	1,027	(170)	3,551
Expenses:					
Cost of processing and services	—	1,113	574	(122)	1,565
Cost of product	—	494	65	(48)	511
Selling, general and administrative	84	456	171	—	711
Total expenses	84	2,063	810	(170)	2,787
Operating income (loss)	(84)	631	217	—	764
Interest expense, net	(97)	(19)	(7)	—	(123)
Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate	(181)	612	210	—	641
Income tax (provision) benefit	80	(222)	(76)	—	(218)
Income from investment in unconsolidated affiliate	—	7	—	—	7
Equity in earnings of consolidated affiliates	531	—	—	(531)	—
Income from continuing operations	430	397	134	(531)	430
Loss from discontinued operations, net of income taxes	(3)	—	—	—	(3)
Net income	$ 427	$ 397	$ 134	$ (531)	$ 427
Comprehensive income	$ 424	$ 397	$ 126	$ (523)	$ 424

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Condensed Consolidating Statement of Income and Comprehensive Income

Nine Months Ended September 30, 2012

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue:					
Processing and services	$ —	$ 1,930	$ 912	$ (118)	$ 2,724
Product	—	528	83	(44)	567
Total revenue	—	2,458	995	(162)	3,291
Expenses:					
Cost of processing and services	—	1,033	536	(118)	1,451
Cost of product	—	457	51	(44)	464
Selling, general and administrative	76	372	167	—	615
Total expenses	76	1,862	754	(162)	2,530
Operating income (loss)	(76)	596	241	—	761
Interest expense, net	(84)	(43)	(2)	—	(129)
Income (loss) from continuing operations before income taxes and income from investment in unconsolidated affiliate	(160)	553	239	—	632
Income tax (provision) benefit	86	(204)	(89)	—	(207)
Income from investment in unconsolidated affiliate	—	9	—	—	9
Equity in earnings of consolidated affiliates	508	—	—	(508)	—
Income from continuing operations	434	358	150	(508)	434
(Loss) income from discontinued operations, net of income taxes	(2)	4	—	(4)	(2)
Net income	$ 432	$ 362	$ 150	$ (512)	$ 432
Comprehensive income	$ 449	$ 362	$ 155	$ (517)	$ 449

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Condensed Consolidating Balance Sheet

September 30, 2013

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Cash and cash equivalents	$ 18	$ 75	$ 228	$ —	$ 321
Trade accounts receivable, net	—	451	259	—	710
Prepaid expenses and other current assets	96	236	164	—	496
Total current assets	114	762	651	—	1,527
Investments in consolidated affiliates	10,044	—	—	(10,044)	—
Intangible assets, net	22	1,927	231	—	2,180
Goodwill	—	4,149	1,068	—	5,217
Other long-term assets	31	393	108	—	532
Total assets	$ 10,211	$ 7,231	$ 2,058	$ (10,044)	$ 9,456
Liabilities and Shareholders' Equity					
Accounts payable and accrued expenses	$ 109	$ 478	$ 239	$ —	$ 826
Current maturities of long-term debt	—	2	—	—	2
Deferred revenue	—	253	147	—	400
Total current liabilities	109	733	386	—	1,228
Long-term debt	3,927	2	—	—	3,929
Due to (from) consolidated affiliates	1,972	(1,607)	(365)	—	—
Other long-term liabilities	743	57	39	—	839
Total liabilities	6,751	(815)	60	—	5,996
Total shareholders' equity	3,460	8,046	1,998	(10,044)	3,460
Total liabilities and shareholders' equity	$ 10,211	$ 7,231	$ 2,058	$ (10,044)	$ 9,456

Condensed Consolidating Balance Sheet

December 31, 2012

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Cash and cash equivalents	$ 85	$ 66	$ 207	$ —	$ 358
Trade accounts receivable, net	—	403	258	—	661
Prepaid expenses and other current assets	45	186	160	—	391
Assets of discontinued operations	—	33	—	—	33
Total current assets	130	688	625	—	1,443
Investments in consolidated affiliates	8,498	—	—	(8,498)	—
Intangible assets, net	22	1,479	243	—	1,744
Goodwill	—	3,695	1,010	—	4,705
Other long-term assets	55	445	105	—	605
Total assets	$ 8,705	$ 6,307	$ 1,983	$ (8,498)	$ 8,497
Liabilities and Shareholders' Equity					
Accounts payable and accrued expenses	$ 73	$ 417	$ 231	$ —	$ 721
Current maturities of long-term debt	—	2	—	—	2
Deferred revenue	—	213	166	—	379
Liabilities of discontinued operations	—	3	—	—	3
Total current liabilities	73	635	397	—	1,105
Long-term debt	3,223	4	1	—	3,228
Due to (from) consolidated affiliates	1,295	(988)	(307)	—	—
Other long-term liabilities	697	22	28	—	747
Total liabilities	5,288	(327)	119	—	5,080
Total shareholders' equity	3,417	6,634	1,864	(8,498)	3,417
Total liabilities and shareholders' equity	$ 8,705	$ 6,307	$ 1,983	$ (8,498)	$ 8,497

Condensed Consolidating Statement of Cash Flows

Nine Months Ended September 30, 2013

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash flows from operating activities:					
Net cash provided by (used in) operating activities from continuing operations	$ (70)	$ 568	$ 183	$ —	$ 681
Cash flows from investing activities:					
Capital expenditures, including capitalization of software costs	(2)	(122)	(47)	—	(171)
Payments for acquisitions of businesses, net of cash acquired	(55)	25	—	—	(30)
Dividend from unconsolidated affiliate	—	116	—	—	116
Net proceeds from sale of investments	—	—	2	—	2
Other investing activities	731	4	(4)	(732)	(1)
Net cash (used in) provided by investing activities from continuing operations	674	23	(49)	(732)	(84)
Cash flows from financing activities:					
Proceeds from long-term debt	1,319	—	—	—	1,319
Repayments of long-term debt	(1,573)	(1)	—	—	(1,574)
Issuance of treasury stock	37	—	—	—	37
Purchases of treasury stock	(455)	—	—	—	(455)
Other financing activities	9	(616)	(113)	732	12
Net cash used in financing activities from continuing operations	(663)	(617)	(113)	732	(661)
Net change in cash and cash equivalents from continuing operations	(59)	(26)	21	—	(64)
Net cash flows from (to) discontinued operations	(8)	35	—	—	27
Beginning balance	85	66	207	—	358
Ending balance	$ 18	$ 75	$ 228	$ —	$ 321

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Condensed Consolidating Statement of Cash Flows

Nine Months Ended September 30, 2012

(In millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash flows from operating activities:					
Net cash provided by (used in) operating activities from continuing operations	$ (158)	$ 517	$ 183	$ —	$ 542
Cash flows from investing activities:					
Capital expenditures, including capitalization of software costs	(3)	(106)	(36)	—	(145)
Net proceeds from sale of investments	—	3	24	—	27
Other investing activities	538	(1)	—	(540)	(3)
Net cash (used in) provided by investing activities from continuing operations	535	(104)	(12)	(540)	(121)
Cash flows from financing activities:					
Proceeds from long-term debt	994	—	—	—	994
Repayments of long-term debt	(897)	(4)	(45)	—	(946)
Issuance of treasury stock	80	—	—	—	80
Purchases of treasury stock	(580)	—	—	—	(580)
Other financing activities	(1)	(431)	(107)	540	1
Net cash used in financing activities from continuing operations	(404)	(435)	(152)	540	(451)
Net change in cash and cash equivalents from continuing operations	(27)	(22)	19	—	(30)
Net cash flows from (to) discontinued operations	(5)	5	—	—	—
Beginning balance	73	71	193	—	337
Ending balance	$ 41	$ 54	$ 212	$ —	$ 307

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This quarterly report contains "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those that express a plan, belief, expectation, estimation, anticipation, intent, contingency, future development or similar expression, and can generally be identified as forward-looking because they include words such as "believes," "anticipates," "expects," "could," "should" or words of similar meaning. Statements that describe our future plans, objectives or goals are also forward-looking statements. The forward-looking statements in this report involve significant risks and uncertainties, and a number of factors, both foreseen and unforeseen, that could cause actual results to differ materially from our current expectations. The factors that may affect our results include, among others: the impact on our business of the current state of the economy, including the risk of reduction in revenue resulting from decreased spending on the products and services we offer; legislative and regulatory actions in the United States and internationally, including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and related regulations; our ability to successfully integrate acquisitions, including Open Solutions Inc., into our operations; changes in client demand for our products or services; pricing or other actions by competitors; the impact of our strategic initiatives; our ability to comply with government regulations, including privacy regulations; and other factors identified in our Annual Report on Form 10-K for the year ended December 31, 2012 and in other documents that we file with the Securities and Exchange Commission. You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements, which speak only as of the date of this report. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this report.

Management's discussion and analysis of financial condition and results of operations is provided as a supplement to our unaudited consolidated financial statements and accompanying notes to help provide an understanding of our financial condition, the changes in our financial condition and our results of operations. Our discussion is organized as follows:

- *Overview.* This section contains background information on our company and the services and products that we provide, our enterprise priorities and the trends and business developments affecting our industry in order to provide context for management's discussion and analysis of our financial condition and results of operations.
- *Results of operations*. This section contains an analysis of our results of operations presented in the accompanying unaudited consolidated statements of income by comparing the results for the three and nine months ended September 30, 2013 to the comparable periods in 2012.
- *Liquidity and capital resources*. This section provides an analysis of our cash flows and a discussion of our outstanding debt as of September 30, 2013.

Overview

Company Background

We are a leading global provider of financial services technology. We provide account processing systems, electronic payments processing products and services, internet and mobile banking systems, and related services. We serve approximately 16,000 clients worldwide, including banks, thrifts, credit unions, investment management firms, leasing and finance companies, retailers, merchants and government agencies. The majority of our revenue is generated from recurring account- and transaction-based fees under contracts that generally have terms of three to five years. We also have had high contract renewal rates with our clients. The majority of the services we provide are necessary for our clients to operate their businesses and are, therefore, non-discretionary in nature.

Our operations are primarily in the United States and are comprised of the Payments and Industry Products ("Payments") segment and the Financial Institution Services ("Financial") segment. The Payments segment primarily provides electronic bill payment and presentment services, debit and other card-based payment products and services, internet and mobile banking software and services, and other electronic payments software and services, including account-to-account transfers and person-to-person payments. Our businesses in this segment also provide investment account processing services for separately managed accounts, card and print personalization services, and fraud and risk management products and services. The Financial segment provides banks, thrifts and

credit unions with account processing services, item processing and source capture services, loan origination and servicing products, cash management and consulting services, and other products and services that support numerous types of financial transactions. The Corporate and Other segment primarily consists of unallocated corporate expenses, amortization of acquisition-related intangible assets, intercompany eliminations and other costs that are not considered when management evaluates segment performance.

On January 14, 2013, we acquired Open Solutions Inc. (“Open Solutions”), a provider of account processing technology for financial institutions, for a cash purchase price of $55 million. We also assumed approximately $960 million of debt. With this acquisition, we added 3,300 clients, as well as DNA™, a real-time, open architecture account processing platform. The Open Solutions acquisition advances Fiserv’s go-to-market strategies by adding a number of products and services and by expanding the number of account processing clients to which we can provide a broad array of our add-on solutions.

Enterprise Priorities

We continue to implement a series of strategic initiatives to help accomplish our mission of providing integrated technology and services solutions that enable best-in-class results for our clients. These strategic initiatives include active portfolio management of our various businesses, enhancing the overall value of our existing client relationships, improving operational effectiveness, being disciplined in our allocation of capital, and differentiating our products and services through innovation. Our key enterprise priorities for 2013 are: (i) to continue to build high-quality revenue growth and meet our earnings goals; (ii) to extend market momentum into deeper client relationships and a larger share of our strategic solutions; and (iii) to deliver innovation and integration to enhance results for our clients, with an important focus on Open Solutions.

Industry Trends

Market and regulatory conditions have continued to create a difficult operating environment for financial institutions and other businesses in the United States and internationally. In particular, legislation such as the Dodd-Frank Wall Street Reform and Consumer Protection Act has generated, and will continue to generate, numerous new regulations that will impact the financial industry. Financial institutions have generally remained cautious in their information technology spending as a result. These conditions have, however, created interest in solutions that help financial institutions win and retain customers, generate incremental revenue and enhance operating efficiency. Examples of these solutions include our digital channels and electronic payments solutions, including mobile banking and person-to-person payments. Despite the difficult environment over the past several years, our revenue increased 3% in 2012 compared to 2011 and 8% in the first nine months of 2013 compared to the same period in 2012; our net income per share from continuing operations increased 27% to $4.30 for the full year of 2012; and our net cash provided by operating activities was $826 million for the full year of 2012 and $681 million for the first nine months of 2013. We believe these financial results demonstrate the resilience of our recurring, fee-based revenue model, the largely non-discretionary nature of our products and services, and mild improvement in the general condition of the financial industry. We anticipate that we will benefit over the long term from the trend of financial institutions moving from in-house technology solutions to outsourced solutions.

During the past 25 years, the number of financial institutions in the United States has declined at a relatively steady rate of approximately 3% per year, primarily as a result of voluntary mergers and acquisitions. An acquisition benefits us when a newly combined institution is processed on our platform, or elects to move to one of our platforms, and negatively impacts us when a competing platform is selected. Financial institution acquisitions also impact our financial results due to early contract termination fees in our multi-year client contracts. Contract termination fees are primarily generated when an existing client with a multi-year contract is acquired by another financial institution. These fees can vary from period to period based on the number and size of clients that are acquired and how early in the contract term the contract is terminated.

Business Developments

We continue to invest in the development of new and strategic products in categories such as payments, including Popmoney® for person-to-person payments; Mobiliti™ for mobile banking and payments services; and others that we believe will increase value to our clients and enhance the capabilities of our existing solutions. In January 2013, we acquired Open Solutions, a provider of account processing technology for financial institutions, which added DNA, a real-time, open architecture account processing platform. We believe our wide range of market-leading solutions along with the investments we are making in new and differentiated products will favorably position us and our clients to capitalize on opportunities in the marketplace.

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Results of Operations

On March 14, 2013, the Company sold its club solutions business ("Club Solutions"). The results of operations and cash flows of Club Solutions, which were previously included within the Payments segment, have been reported as discontinued operations for all periods presented.

The following table presents certain amounts included in our consolidated statements of income, the relative percentage that those amounts represent to revenue and the change in those amounts from year to year. This information should be read together with the consolidated financial statements and accompanying notes.

	Three Months Ended September 30,					
			Percentage of Revenue (1)		Increase (Decrease)	
(In millions)	2013	2012	2013	2012	$	%
Revenue:						
Processing and services	$1,016	$ 922	84.6%	83.3%	$ 94	10%
Product	185	185	15.4%	16.7%	—	—
Total revenue	1,201	1,107	100.0%	100.0%	94	8%
Expenses:						
Cost of processing and services	520	486	51.2%	52.7%	34	7%
Cost of product	164	150	88.6%	81.1%	14	9%
Sub-total	684	636	57.0%	57.5%	48	8%
Selling, general and administrative	237	206	19.7%	18.6%	31	15%
Total expenses	921	842	76.7%	76.1%	79	9%
Operating income	280	265	23.3%	24.0%	15	6%
Interest expense	(41)	(48)	(3.4%)	(4.3%)	(7)	(15%)
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	$ 239	$ 217	19.9%	19.6%	$ 22	10%

	Nine Months Ended September 30,					
			Percentage of Revenue (1)		Increase (Decrease)	
(In millions)	2013	2012	2013	2012	$	%
Revenue:						
Processing and services	$2,997	$2,724	84.4%	82.8%	$ 273	10%
Product	554	567	15.6%	17.2%	(13)	(2%)
Total revenue	3,551	3,291	100.0%	100.0%	260	8%
Expenses:						
Cost of processing and services	1,565	1,451	52.2%	53.3%	114	8%
Cost of product	511	464	92.2%	81.8%	47	10%
Sub-total	2,076	1,915	58.5%	58.2%	161	8%
Selling, general and administrative	711	615	20.0%	18.7%	96	16%
Total expenses	2,787	2,530	78.5%	76.9%	257	10%
Operating income	764	761	21.5%	23.1%	3	—
Interest expense	(123)	(135)	(3.5%)	(4.1%)	(12)	(9%)
Interest and investment income	—	6	—	0.2%	(6)	(100%)
Income from continuing operations before income taxes and income from investment in unconsolidated affiliate	$ 641	$ 632	18.1%	19.2%	$ 9	1%

(1) Percentage of revenue is calculated as the relevant revenue, expense or income amount divided by total revenue, except for cost of processing and services and cost of product amounts which are divided by the related component of revenue.

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(In millions)	Three Months Ended September 30, Payments	Financial	Corporate and Other	Total
Total revenue:				
2013	$ 631	$ 580	$ (10)	$1,201
2012	606	513	(12)	1,107
Revenue growth	$ 25	$ 67	$ 2	$ 94
Revenue growth percentage	4%	13%		8%
Operating income:				
2013	$ 173	$ 194	$ (87)	$ 280
2012	166	165	(66)	265
Operating income growth	$ 7	$ 29	$ (21)	$ 15
Operating income growth percentage	4%	18%		6%
Operating margin:				
2013	27.4%	33.3%		23.3%
2012	27.4%	32.1%		24.0%
Operating margin growth (1)	—	1.2%		(0.7%)

(In millions)	Nine Months Ended September 30, Payments	Financial	Corporate and Other	Total
Total revenue:				
2013	$ 1,874	$ 1,713	$ (36)	$3,551
2012	1,810	1,516	(35)	3,291
Revenue growth	$ 64	$ 197	$ (1)	$ 260
Revenue growth percentage	4%	13%		8%
Operating income:				
2013	$ 518	$ 541	$ (295)	$ 764
2012	481	479	(199)	761
Operating income growth	$ 37	$ 62	$ (96)	$ 3
Operating income growth percentage	8%	13%		—
Operating margin:				
2013	27.6%	31.6%		21.5%
2012	26.6%	31.6%		23.1%
Operating margin growth (1)	1.0%	—		(1.6%)

(1) Represents the percentage point growth or decline in operating margin.

Total Revenue

Total revenue increased $94 million and $260 million, respectively, or 8%, in each of the third quarter and first nine months of 2013 compared to 2012. Revenue growth was driven by both our Payments and Financial segments in 2013. Revenue from our Open Solutions acquisition contributed $69 million of total revenue to the Financial segment in the third quarter of 2013 and $204 million in the first nine months of 2013.

Revenue in our Payments segment increased $25 million and $64 million, respectively, or 4%, in each of the third quarter and first nine months of 2013 compared to 2012. Payments segment revenue growth was primarily driven by our recurring revenue businesses as processing and services revenue increased $27 million and $84 million, respectively, or 6%, in both the third quarter and first nine months of 2013 over the prior year periods. This growth was primarily due to new clients and increased transaction volumes from existing clients in our card services business, biller solutions business, bill payment business and digital channels business, which includes our online and mobile banking solutions. Payments segment revenue growth was partially offset in both the third quarter and the first nine months of 2013 due to a discount on a renewal of a bill payment contract and lower software license revenue. In addition, the third quarter of 2013 was negatively impacted by lower professional services fees related to a large online banking implementation in our international business.

Revenue in our Financial segment increased $67 million and $197 million, respectively, or 13%, in each of the third quarter and first nine months of 2013 compared to 2012, driven by the acquisition of Open Solutions. Excluding the Open Solutions acquisition, revenue growth in 2013 was flat compared to the prior year, primarily due to the migration of an account processing client to its parent company’s account processing platform.

Total Expenses

Total expenses during the third quarter and first nine months of 2013 increased $79 million, or 9%, and $257 million, or 10%, respectively, compared to 2012. Total expenses as a percentage of total revenue increased 60 basis points from 76.1% in the third quarter of 2012 to 76.7% in the third quarter of 2013 and increased 160 basis points from 76.9% in the first nine months of 2012 to 78.5% in the first nine months of 2013. Merger and integration expenses resulting from the acquisition of Open Solutions negatively impacted our operating margin by approximately 90 basis points and 160 basis points in the third quarter and first nine months of 2013, respectively.

Cost of processing and services as a percentage of processing and services revenue decreased to 51.2% in the third quarter of 2013 as compared to 52.7% in the third quarter of 2012 and to 52.2% in the first nine months of 2013 as compared to 53.3% in the first nine months of 2012. Cost of processing and services as a percentage of revenue was favorably impacted by increased operating leverage in our recurring revenue businesses.

Cost of product as a percentage of product revenue was 88.6% in the third quarter of 2013 compared to 81.1% in the third quarter of 2012 and was 92.2% in the first nine months of 2013 compared to 81.8% in the first nine months of 2012. The increase in cost of product as a percentage of product revenue in 2013 was primarily due to a $30 million non-cash impairment charge in the first quarter related to the replacement of our Acumen account processing platform with DNA, an Open Solutions account processing platform, along with other merger and integration costs associated with the acquisition.

Selling, general and administrative expense as a percentage of total revenue was 19.7% in the third quarter of 2013 compared to 18.6% in the third quarter of 2012 and was 20.0% in the first nine months of 2013 compared to 18.7% in the first nine months of 2012. The increase in selling, general and administrative expense as a percentage of total revenue was primarily due to higher acquired intangible amortization and transaction expenses attributed to our acquisition of Open Solutions.

Operating Income and Operating Margin

Total operating income increased $15 million, or 6%, in the third quarter of 2013 compared to 2012; operating income of $764 million for the first nine months of 2013 was slightly above the operating income of $761 million for the first nine months of 2012. Our total operating margin decreased 70 basis points to 23.3% in the third quarter of 2013 compared to the third quarter of 2012 and decreased 160 basis points to 21.5% in the first nine months of 2013 compared to the same period in 2012. The decreases in operating margin were primarily due to our Corporate and Other segment, in which our operating loss increased $21 million in the third quarter of 2013 and $96 million in the first nine months of 2013 compared to the same periods in 2012, negatively impacting our operating margin by

approximately 180 basis points and 270 basis points, respectively. The increases in the Corporate and Other segment's operating losses were primarily attributable to merger and integration expenses resulting from the acquisition of Open Solutions, including a $30 million non-cash impairment charge in the first quarter related to the replacement of our Acumen account processing platform with DNA. In addition, amortization expense, related to Open Solutions acquired intangible assets, increased $13 million and $36 million in the third quarter and first nine months of 2013, respectively.

Operating income in our Payments segment increased $7 million, or 4%, in the third quarter of 2013 as compared to 2012, and operating margin was consistent at 27.4% in the third quarter of 2013 and 2012. In the first nine months of 2013 compared to 2012, operating income in the Payments segment increased $37 million, or 8%, and operating margin increased 100 basis points to 27.6%. The increases in operating income and margin in 2013 were primarily due to revenue growth and scale efficiencies in our card services and digital channels businesses, partially offset by the negative impact of a discount on a renewal of a bill payment contract.

Operating income in our Financial segment increased $29 million, or 18%, and $62 million, or 13%, in the third quarter and first nine months of 2013, respectively, compared to 2012. Operating margin increased 120 basis points to 33.3% in the third quarter of 2013 compared to 2012 and was consistent at 31.6% in the first nine months of 2013 compared to 2012. The increase in operating margin in 2013 was primarily due to scale efficiencies and operational effectiveness benefits, partially offset by the migration of an account processing client to its parent company's account processing platform.

Interest Expense

Interest expense decreased $7 million, or 15%, to $41 million in the third quarter of 2013 compared to 2012 and decreased $12 million, or 9%, to $123 million in the first nine months of 2013 compared to 2012. The decrease was primarily due to lower average interest rates in 2013 compared to 2012, partially offset by additional debt assumed in connection with the acquisition of Open Solutions. In addition, $4 million of expense associated with hedge ineffectiveness was recognized upon the settlement of our forward-starting interest rate swap agreements in the third quarter of 2012.

Interest and Investment Income

Interest and investment income decreased $6 million in the first nine months of 2013 as compared to 2012 due to a gain recognized on a sale of an investment in the prior year period.

Income Tax Provision

Our effective income tax rates for continuing operations were 33.1% and 34.1% in the third quarter and first nine months of 2013, respectively, and were 36.8% and 32.7% in the third quarter and first nine months of 2012, respectively. The lower effective tax rate in the third quarter of 2013 is primarily due to recognition of discrete tax benefits including the resolution of tax audits. The lower effective tax rate for the first nine months of 2012 was primarily due to increased deductions resulting from federal tax planning initiatives including the associated discrete tax benefits. We anticipate that our full year effective tax rate will be approximately 35% in 2013.

Net Income Per Share – Diluted from Continuing Operations

Net income per share-diluted from continuing operations was $1.22 and $1.03 in the third quarter of 2013 and 2012, respectively, and was $3.22 and $3.14 in the first nine months of 2013 and 2012, respectively. Amortization of acquisition-related intangible assets reduced net income per share-diluted from continuing operations by $0.26 per share and $0.19 per share in the third quarters of 2013 and 2012, respectively, and $0.76 per share and $0.56 per share for the first nine months of 2013 and 2012, respectively. In addition, net income per share was negatively impacted by merger and integration costs in the third quarter and first nine months of 2013 by $0.07 per share and $0.34 per share, respectively.

Liquidity and Capital Resources

General

Our primary liquidity needs are: (i) to fund normal operating expenses; (ii) to meet the interest and principal requirements of our outstanding indebtedness; and (iii) to fund capital expenditures and operating lease payments. We believe these needs will be satisfied using cash flow generated by our operations, our cash and cash equivalents of $321 million at September 30, 2013 and available borrowings under our revolving credit facility.

(In millions)	Nine Months Ended September 30, 2013	2012	Increase (Decrease) $	%
Income from continuing operations	$ 430	$ 434	$ (4)	
Depreciation and amortization	301	262	39	
Share-based compensation	37	35	2	
Deferred income taxes	(11)	(11)	—	
Non-cash impairment charge	30	—	30	
Dividend from unconsolidated affiliate	6	—	6	
Settlement of interest rate hedge contracts	—	(88)	88	
Net changes in working capital and other	(112)	(90)	(22)	
Operating cash flow	$ 681	$ 542	$ 139	26%
Capital expenditures	$ 171	$ 145	$ 26	18%

Our net cash provided by operating activities, or operating cash flow, was $681 million in the first nine months of 2013, an increase of 26% compared with $542 million in 2012. This increase was primarily due to a payment of $88 million in the third quarter of 2012 for the settlement of forward-starting interest rate swap agreements and lower tax and interest payments in 2013. Our current policy is to use our operating cash flow primarily to repay debt and fund capital expenditures, acquisitions and share repurchases, rather than to pay dividends. Our capital expenditures in the first nine months of 2013 increased by $26 million, compared to the same period in 2012, and were less than 5% of our total revenue in each period.

On January 14, 2013, we acquired Open Solutions for a cash purchase price of $16 million, net of cash acquired. In the second quarter of 2013, we received a $122 million cash dividend from StoneRiver Group, L.P., a joint venture in which we own a 49% interest. A portion of the dividend, $6 million, represents a return on our investment and was reported as cash flows from operating activities. During the first nine months of 2013, we purchased $455 million of our common stock. We announced a new ten million share repurchase authorization in the third quarter of 2013, and had approximately 10.4 million shares authorized for repurchase as of September 30, 2013. Shares repurchased are generally held for issuance in connection with our equity plans.

Long-Term Debt

(In millions)	September 30, 2013	December 31, 2012
Revolving credit facility	$ 983	$ 280
3.125% senior notes due 2015	300	300
3.125% senior notes due 2016	600	600
6.8% senior notes due 2017	500	500
4.625% senior notes due 2020	449	449
4.75% senior notes due 2021	399	399
3.5% senior notes due 2022	697	697
Other borrowings	3	5
Long-term debt (including current maturities)	$ 3,931	$ 3,230

At September 30, 2013, our long-term debt consisted primarily of $2.9 billion of senior notes and $1.0 billion in borrowings under the revolving credit facility. Interest on our senior notes is paid semi-annually. During the first nine months of 2013, we were in compliance with all financial debt covenants.

Revolving Credit Facility

We maintain a $2.0 billion revolving credit facility with a syndicate of banks. Borrowings under this facility bear interest at a variable rate, 1.3% at September 30, 2013, based on LIBOR plus a specified margin or the bank's base rate. There are no significant commitment fees and no compensating balance requirements. The facility expires on August 1, 2017 and contains various restrictions and covenants that require us, among other things, to (i) limit our consolidated indebtedness as of the end of each fiscal quarter to no more than three and one-half times consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments during the period of four fiscal quarters then ended, and (ii) maintain consolidated net earnings before interest, taxes, depreciation and amortization and certain other adjustments of at least three times consolidated interest expense as of the end of each fiscal quarter for the period of four fiscal quarters then ended. As of September 30, 2013, borrowings outstanding under the facility approximated $1.0 billion, primarily related to the funding of assumed debt from the acquisition of Open Solutions.

On October 25, 2013, we obtained a $900 million term loan under a new loan agreement with a syndicate of banks. This term loan bears interest at a variable rate, including based on LIBOR or the administrative agent's prime rate, in either case, plus a specified margin based on our long-term debt rating in effect from time to time, and matures in October 2018. Scheduled principal payments of $90 million are due on the last business day of December of each year, commencing on December 31, 2014. In connection with the term loan financing, we entered into an amendment to our existing $2.0 billion revolving credit agreement that conformed certain of its provisions to those in the new term loan agreement and extended its maturity to October 2018. Our revolving credit facility was previously scheduled to expire on August 1, 2017. The new term loan facility and amended revolving credit facility contain various restrictions and covenants substantially similar to those contained in our revolving credit facility. We used the net proceeds from the term loan to repay outstanding borrowings under our revolving credit facility. After such repayment, $75 million remains outstanding under our revolving credit agreement.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The quantitative and qualitative disclosures about market risk required by this item are incorporated by reference to Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2012 and have not materially changed since December 31, 2012.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934 (the "Exchange Act"), our management, with the participation of our chief executive officer and chief financial officer, evaluated the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of September 30, 2013.

Changes in internal control over financial reporting

During the quarter ended September 30, 2013, we continued, as part of our ongoing integration activities related to our acquisition of Open Solutions, to incorporate our process-level and company-wide controls and procedures into this recently acquired business. We also continued to implement a billing module within our SAP enterprise resource planning ("ERP") system, which we expect to further integrate our systems and improve the overall efficiency of our billing and collection processes. We expect the implementation of this module to continue in phases over the next year, which we believe will reduce implementation risk. The design and documentation of our internal control processes and procedures related to billing will be appropriately modified to supplement existing internal controls over financial reporting. As with any new technology, this module, and the internal controls over financial reporting included in the related processes, will be tested for effectiveness prior to and concurrent with the implementation. We believe the implementation of the billing module within our ERP system will further strengthen the related internal controls due to enhanced automation and integration of processes. There were no other changes in internal control over financial reporting that occurred during the quarter ended September 30, 2013 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the normal course of business, we and our subsidiaries are named as defendants in lawsuits in which claims are asserted against us. In the opinion of management, the liabilities, if any, which may ultimately result from such lawsuits are not expected to have a material adverse effect on our financial statements.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The table below sets forth information with respect to purchases made by or on behalf of the company or any “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Exchange Act) of shares of our common stock during the quarter ended September 30, 2013:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (1)
July 1-31, 2013	1,153,000	$ 90.63	1,153,000	1,272,000
August 1-31, 2013	375,000	99.02	375,000	10,897,000
September 1-30, 2013	500,000	100.36	500,000	10,397,000
Total	2,028,000		2,028,000	

(1) On each of February 22, 2012 and August 5, 2013, our board of directors authorized the purchase of up to ten million shares of our common stock. These authorizations do not expire.

ITEM 6. EXHIBITS

The exhibits listed in the accompanying exhibit index are filed as part of this Quarterly Report on Form 10-Q.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FISERV, INC.

Date: October 30, 2013

By: /s/ Thomas J. Hirsch

Thomas J. Hirsch
Executive Vice President,
Chief Financial Officer,
Treasurer and Assistant Secretary

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Exhibit Index

Exhibit Number	Exhibit Description
10.1	Employment Agreement, dated February 23, 2010, between Fiserv, Inc. and Lynn S. McCreary
10.2	Amendment No. 1 to Employment Agreement, dated July 1, 2013, between Fiserv, Inc. and Lynn S. McCreary
10.3	Key Executive Employment and Severance Agreement, effective as of July 1, 2013, between Fiserv, Inc. and Lynn S. McCreary (1)
31.1	Certification of the Chief Executive Officer, dated October 30, 2013
31.2	Certification of the Chief Financial Officer, dated October 30, 2013
32	Certification of the Chief Executive Officer and Chief Financial Officer, dated October 30, 2013
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed with this quarterly report on Form 10-Q are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Income for the three and nine months ended September 30, 2013 and 2012, (ii) the Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2013 and 2012, (iii) the Consolidated Balance Sheets at September 30, 2013 and December 31, 2012, (iv) the Consolidated Statements of Cash Flows for the nine months ended September 30, 2013 and 2012, and (v) Notes to Consolidated Financial Statements.

(1) Form of agreement previously filed as an exhibit to the Company’s Current Report on Form 8-K filed on December 23, 2008 (File No. 0-14948) and incorporated herein by reference.

Exhibit 10.1

EMPLOYMENT AGREEMENT

This Agreement is made this 23rd day of February, 2010, by and between Fiserv, Inc., on behalf of itself and its subsidiaries and affiliates ("**Company**"), and Lynn S. McCreary ("**Employee**").

WHEREAS, the Company wishes to assure itself of the services of Employee for the period provided for in this Agreement;

WHEREAS the Employee desires to enter into an agreement to provide for her employment with the Company upon the terms provided in this Agreement;

WHEREAS the Company's information, including but not limited to its technology, products, intellectual property, customer lists, customer information, and its methods of doing business have been developed by the Company at considerable expense over a number of years, and are of considerable economic value to the Company;

WHEREAS Company wishes to assure itself that Employee will keep in confidence and not disclose any information disclosed to her by the Company during the term that she is employed by Company;

WHEREAS Company further wishes to assure itself that Employee will not compete with the Company during or for a reasonable period of time after the termination of her employment; and

WHEREAS Employee is willing to agree not to so compete with Company;

NOW THEREFORE, in consideration of the premises set forth herein and intending to be legally bound, the parties hereto agree as follows:

1. The Company agrees to employ Employee, and Employee agrees to be employed by the Company. During her employment, Employee agrees to serve as Senior Vice President and Deputy General Counsel with such further responsibilities and duties commensurate with such position as contemplated by the Company's by-laws and reasonably implemented by the Board of Directors and Employee's Direct Supervisor (as hereinafter defined) subject to the further terms and conditions of this Agreement.

2. Upon 180 days notice or another mutually agreed upon date ("**Relocation Date**"), at the request of the Company, Employee agrees to work at the Company's offices in Brookfield, Wisconsin. Prior to the Relocation Date, Employee will conduct her duties from the State of Kansas or travel to the Company's offices at Brookfield, Wisconsin, Norcross Georgia, or any of its other locations, from time to time as needed at the Company's expense. The Company will pay Employee's relocation expenses in accordance with its standard executive relocation reimbursement program (which shall be modified to extend temporary housing in the Milwaukee area referred to below for at least 180 days), if

Employee relocates during the Employment Term (as defined herein), regardless of whether Employee relocates her residence before or after the Relocation Date, subject, however, to the provisions of Section 8(c)(iv). Pending said relocation, the Company will provide Employee temporary housing in the Milwaukee area at the Company's expense. If the Company terminates Employee for cause, as defined in Section 8(c), or Employee voluntarily ceases her employment, with the Company, in either case, on or before the second anniversary of the date of the commencement of employment hereunder, Employee shall not be entitled to any portion of any further relocation assistance and shall be obligated to repay the Company all of the relocation expenses paid to her or on her behalf by the Company prior to the date of the termination of employment. If Employee fails to repay such amount to the Company by her last day of employment, the Company shall have the right to offset such repayment amount from any other amounts the Company owes to the Employee.

3. Employee agrees to accumulate stock ownership in the Company (including for such purposes the value of unvested restricted stock units) at a minimum level equal to the value of her salary, no later than the fifth anniversary of the date hereof.

4. The term of this Agreement shall begin on the date first written above and shall continue until 12 months after termination of Employee's employment (the "**Term**"). Employee's employment shall begin on [date] and shall continue until terminated by either party upon written notice to the other party (the "**Employment Term**").

5. Employee hereby represents that she is free and able to enter into this Agreement with Company and that there is no reason, known or unknown, which will prevent her performance of the terms and conditions contained in this Agreement.

6. During the Employment Term, Employee shall devote her full business time, best efforts and business judgment, faithfully, conscientiously and to the best of her ability to the advancement of the interests of the Company and to the discharge of the responsibilities and offices held by her. Employee shall not engage in any other business activity, whether or not pursued for pecuniary advantage, except as may be approved in advance by the Company, provided, however, that the foregoing shall not prohibit or limit Employee from participating in civic, charitable or other not-for-profit activities or to manage personal passive investments, provided that such activities do not materially interfere with Employee's services required under this Agreement and do not violate the Code of Conduct or other corporate policies of Fiserv. Employee hereby acknowledges that she has read Fiserv's Code of Conduct in effect as of the date hereof, attached hereto as Exhibit A, and agrees that she will comply with such Code of Conduct and other Fiserv corporate policies regarding activities in the workplace, as they may be amended from time to time, in all material respects.

7. For all services to be rendered by Employee in any capacity during the Employment Term, the Company shall pay or cause to be paid to Employee and shall provide or cause to be provided to her the following:

(a) An annual base salary at a minimum rate of $280,000 per year, commencing on the date on which Employee begins employment with the Company (the "**Employment Date**"), payable in accordance with the normal payroll practices and schedule of the Company. Upon the expiration of the Term and thereafter, the Employee's direct supervisor ("**Direct Supervisor**") will determine Employee's annual base salary, it being understood by Employee that adjustments to annual base salary will be for unusual events and will not typically be made each year. To that end, beginning in February 2011, Employee's Direct Supervisor will review annually the performance of Employee. The term "annual base salary" shall not include any payment or other benefit that is denominated as or is in the nature of a bonus, incentive payment, commission, profit-sharing payment, retirement or pension accrual, insurance benefit, other fringe benefit or expense allowance, whether or not taxable to Employee as income.

(b) In addition to the salary provided above, as of the Employment Date and thereafter, Employee shall be entitled to participate in the Management Bonus Plan or other incentive compensation program, as offered by the Company from time to time for senior executives of the Company. For calendar year 2010, Employee will have a target bonus of 45% of annual base salary as of the effective date of this Agreement ($126,000) with an opportunity to achieve a maximum bonus of 90% of such annual base salary ($252,000). For calendar year 2010, the bonus payout will be prorated for the number of days that Employee is employed during 2010, to be paid no later than March 15, 2011, according to the Company's usual practice.

(c) The Company shall pay to Employee a signing bonus in the amount of $75,000 be earned on the first anniversary of the Employment Date. If the Company terminates Employee for cause, as defined in Section 8(c), or Employee voluntarily ceases her employment with the Company on or before the second anniversary of the Employment Date, Employee shall not be entitled to any portion of the signing bonus and shall repay such amount paid in full. If Employee fails to repay such amount to the Company by her last day of employment, the Company shall have the right to offset such repayment amount from any other amounts the Company owes to the Employee.

(d) The Employee shall receive equity in the Company (each a "**Stock Program**") as follows:

(i) As of the Employment Date, Fiserv shall grant to Employee pursuant to the terms of the Fiserv, Inc. 2007 Omnibus Incentive Plan (the "**Stock Option and Restricted Stock Plan**") and the stock option agreement covering such stock options, an option to purchase 4,500 shares of Common Stock, $.01 par value, of Fiserv ("**Fiserv Common Stock**"). The exercise price of such options shall equal the fair market value of Fiserv Common Stock as determined under the terms of the Stock Option and Restricted Stock Plan on the Employment Date. Such options shall vest over a four- year period, with 1/3 of such options vesting on each of the second, third and fourth anniversary dates of the date of grant.

(ii) On the Employment Date, Employee shall receive 3,500 restricted stock units under the terms of the Stock Option and Restricted Stock Plan and the restricted stock agreement covering such restricted stock units. Such shares shall vest 50% on the third anniversary of the Employment Date, and 50% on the fourth anniversary of the Employment Date.

(iii) As of the Employment Date, Employee shall thereafter be eligible to participate in the Fiserv Senior Managers and Senior Professionals Stock Option and Restricted Stock Program. Options and restricted stock or restricted stock units granted thereunder may be subject to participation levels and vesting schedules not commensurate with Employee's position and may be determined in connection with Employee's annual performance evaluation and granted annually during the Employment Term. Subject to approval each year by the Board of Directors, Employee will have a target award of $200,000, but such award will vary from year-to-year. It is anticipated, but not assured, that 75% of the annual award will be in the form of non-qualified stock options and the remainder in restricted stock units. If Employee shall not be employed by the Company on the date of grant of any options, restricted stock or restricted stock units hereunder, Employee shall not be entitled to any portion of any such options, restricted stock or restricted stock unit award, as the case may be. Notwithstanding anything to the contrary, all awards of options, restricted stock or restricted stock units, as the case may be, are subject to the approval of the Company's Board of Directors or its designated committee and vesting of such equity awards will follow normal guidelines for similarly situated executives of the Company, established by the Board of Directors of the Company at the time.

All stock options, restricted stock or restricted stock units, as the case may be, granted or issued hereafter will be subject to the terms of the Stock Option and Restricted Stock Plan as it may be amended from time to time and of the specific stock option, restricted stock or restricted stock unit agreement pursuant to which any such stock options, restricted stock or restricted stock units, as the case may be, may be granted or issued from time to time. The terms of the specific stock option, restricted stock or restricted stock unit agreement, as the case may be, pursuant to which stock options, restricted stock or restricted stock units, as the case may be, may be granted or issued hereunder shall govern treatment of such stock options, restricted stock or restricted stock units, as the case may be, in the event of the death or disability (as defined in any such agreement) of Employee. Such options, restricted stock or restricted stock units, as the case may be, will also have vesting and other terms as specified in the agreement covering such stock options, restricted stock or restricted stock units, as the case may be, which may be different than other employees of the Company.

(e) In addition to the salary and incentive compensation provided above, Employee shall be entitled to participate in any employee benefit plans, welfare benefit plans, retirement plans, and other fringe benefit plans from time to time in effect for senior executives of the Company generally; provided, however, that such right or participation in any such plans and the degree or amount thereof shall be subject to the terms of the applicable plan documents, generally applicable Fiserv policies and to action by the Board of Directors of the Company or any administrative or other committee provided in or contemplated by such plan, it being mutually agreed that this Agreement is not intended to impair the right of any committee or other group or person concerned with the administration of such plans to exercise in good faith the full discretion reposed in them by such plans.

(f) All compensation or other benefits payable or owing to Employee hereunder shall be subject to withholding taxes and other legally required deductions pursuant to federal, state or local law.

8. During the Term, Employee's employment hereunder shall terminate under the following circumstances:

(a) In the event Employee dies, this Agreement and the Company's obligations under this Agreement shall terminate as of the end of the month during which her death occurs.

(b) If Employee, due to physical or mental illness, becomes so disabled as to be unable to perform substantially all of her duties, Employee's employment will terminate according to the benefit plans and policies of the Company and this Agreement and the Company's obligations under this Agreement shall terminate on the date of such termination of employment.

(c) Employee's employment may be terminated for cause, effective immediately upon written notice to Employee by the Company that shall set forth the specific nature of the reasons for termination. Only the following acts or omissions by Employee shall constitute "cause" for termination:

(i) dishonesty or similar serious misconduct, directly related to the performance of Employee's duties and responsibilities hereunder, which results from a willful act or omission and which is injurious to the operations, financial condition or business reputation of the Company;

(ii) Employee being named as a defendant in any criminal proceedings, and as a result of being named as a defendant, the operations, financial condition or reputation of the Company are materially injured or Employee is convicted of a crime;

(iii) Employee's drug or alcohol use in violation of any Company policy or which materially impairs the performance of her duties and responsibilities as set forth herein;

(iv) in the sole discretion of the chief executive officer of the Company, failure by Employee to relocate her residence to the Brookfield, Wisconsin area by the Relocation Date;

(v) substantial, continuing willful and unreasonable inattention to, neglect of or refusal by Employee to perform Employee's duties or responsibilities under this Agreement;

(vi) willful and intentional violation of a material provision of the Fiserv Code of Conduct, as it may be amended from time to time, or other Fiserv corporate policies regarding activities in the workplace in effect at the time; or

(vii) any other willful or intentional breach or breaches of this Agreement by Employee, which breaches are, singularly or in the aggregate, not cured within 30 days of written notice of such breach or breaches to Employee from the Company.

(d) Employee's employment may be terminated by the Employee by written notice to the Company and Employee's Direct Supervisor in the event of a material breach by the Company of any of the provisions of this Agreement, provided, however, that the Company shall have been given notice at least 30 days in advance of the anticipated termination date and an opportunity to cure any such event of a material breach. In the event of termination pursuant to the first sentence of this subsection (d), Employee shall be entitled to receive termination benefits in accordance with subsection (f) below. If Employee terminates her employment for reasons other than those enumerated in the first sentence of this subsection (d), she shall not be entitled to termination benefits described in subsection (f) below.

(e) Employee's employment may be terminated at the election of the Company upon written notice to Employee by the Company at any time for the convenience of the Company.

(f) If Employee's employment is terminated by the Company for any reason other than as specified in subsection (a), (b) or (c) above or if terminated by Employee pursuant to the first sentence of subsection (d) above, subject to execution by Employee, within 45 days of termination of employment, of a general release in favor of the Company (and failure to revoke such release), Employee shall be entitled to receive a sum equal to (i) 12 months of salary, plus (ii) the average of the annual performance bonuses actually paid to her with respect to the three years prior to the year in which the termination of employment occurs (or such lesser period of actual employment) provided that such amount shall not be less than an amount equal to 45% of her base salary as in

effect immediately prior to termination, multiplied by a fraction the numerator of which is the number of days in the calendar year Employee was employed and the denominator of which is 365. In addition equity awards pursuant to Sections 7(d)(i) and 7(d)(ii) above shall immediately vest (upon full effect of the general release referred to above) and Employee shall have 30 days from the date of full effectiveness of the general release to exercise any options. Any cash payment under clause (i) or (ii) above of this subsection (f) shall be paid in a cash equivalent lump sum on the first day of the seventh month following the month in which the Employee's Separation from Service occurs, without interest thereon; provided that, if on the date of Employee's Separation from Service, neither the Company nor any other entity that is considered a "service recipient" with respect to Employee within the meaning of Code Section 409A has any stock which is publicly traded on an established securities market (within the meaning of the Treasury Regulation Section 1.897-1(m)) or otherwise, then such payment shall be paid to Employee in a cash equivalent lump sum within ten business days of the date on which the Employee signs and does not revoke a general release in favor of the Company. For purposes hereof, the term "**Separation from Service**" shall have the same meaning as ascribed to such term in Employee's Key Executive Employment and Severance Agreement with the Company. All other incentive compensation and benefits being received by Employee shall cease upon termination of employment, subject to applicable law.

9. The Employee Confidential Information and Development Agreement of the Company, attached hereto as Exhibit B, is hereby incorporated herein by reference. Employee hereby confirms that he is bound by its terms. Such confidential information is understood to include, without limitation, products, technology, intellectual property, customer lists, prospect lists and price lists, or any part of such items, and any information relating to Company's method and technique used in servicing its customers.

10.

(a) For purposes of this Section 10, the following definitions apply:

(i) "**Customer**" means any person, association or entity: (1) for which Employee has directly performed services, (2) for which Employee has supervised others in performing services, or (3) about which Employee has special knowledge as a result of her employment with the Company, during all or any part of the 24-month period ending on the date of the termination of her employment with the Company.

(ii) "**Competing Product or Service**" means any product or service which is sold in competition with, or is being developed and which will compete with, a product or service developed, manufactured, or sold by the Company. For purposes of this Agreement, "Competing Products or Services" are limited to products and/or services for which Employee participated in the development, planning, testing, sale, marketing or evaluation of on behalf of the Company in or during any part of the last 24 months of her employment with the Company, or for which Employee supervised one or more Company employees, units, divisions or departments in doing so.

(iii) "**Special Knowledge**" means material, non-public information about a person, association or entity that Employee learned as a result of her employment with the Company and/or the Company's client development or marketing efforts during all or any part of the last 24 months of her employment with the Company.

(b) Employee agrees that the Company's customer contacts and relations are established and maintained at great expense. Employee further agrees that, as an employee of the Company, she will have unique and extensive exposure to and contact with the Company's customers and employees, and that she will have had the opportunity to establish unique relationships that would enable her to compete unfairly against the Company. Moreover, Employee acknowledges that she will have had unique and extensive knowledge of the Company's trade secret and confidential information, and that such information, if used by her or others, would allow her or others to compete unfairly against the Company. Therefore, in consideration of the compensation and benefits paid to her pursuant to this Agreement, Employee agrees that, for a period of 12 months after the date of the termination of her employment, Employee will not, either on her own behalf or on behalf of any other person, association or entity:

(i) Contact any Customer for the purpose of soliciting or inducing such client to purchase a Competing Product or Service;

(ii) Solicit an employee of the Company to terminate her employment with the Company;

(iii) Become financially interested in, be employed by or have any connection with, directly or indirectly, either individually or as owner, partner, agent, employee, consultant, creditor or otherwise, except for the account of or on behalf of the Company, or its affiliates, in any business or activity listed on Exhibit C (and as Exhibit C may be modified from time to time hereafter by posting on the Company internal intranet commonly referred to as Mainstreet), or any affiliate, successor or assign of such business or activity or any other business enterprise that engages in substantial competition with the Company or any of its subsidiaries in the business of providing management solutions to the financial industry; provided, however, that nothing in this Agreement shall prohibit Employee from owning publicly traded stock or other securities of a competitor amounting to less than one percent of such outstanding class of securities of such competitor; or

(iv) Become an owner, partner, director or officer of a company that develops, sells or markets a Competing Product or Service.

(c) Notwithstanding any other provision of this Agreement, this Section 10:

(i) Shall not bar Employee from all employment. Employee warrants and agrees that there are ample employment opportunities that she could fill following her employment with the Company, in her field of experience, without violating this Agreement;

(ii) Shall not bar Employee from performing clerical, menial or manual labor;

(iii) Subject to Section 10(b)(iii), including the proviso thereof, shall not prohibit Employee from investing as a passive investor in the capital stock or other securities of a publicly traded corporation listed on a national security exchange.

11. Employee acknowledges and agrees that compliance with Section 10 hereof is necessary to protect the Company, and that a breach of Section 10 hereof will result in irreparable and continuing damage to the Company for which there will be no adequate remedy at law. Employee hereby agrees that in the event of any such breach of Section 10 hereof, the Company, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. Employee further agrees that, in the event of her breach of Section 10 hereof, the Company shall be entitled to recover the value of any amounts previously paid or payable to Employee pursuant to Section 7(d) hereof and of any Stock Program. Employee understands and agrees that the losses incurred by the Company as a result of such breach of this Agreement would be difficult or impossible to calculate, as they are based on, among other things, the value of the knowledge and information gained by the Employee at the expense of the Company, but that the actual value exceeds the amounts paid or payable to Employee pursuant to Section 7(d) and any Stock Program. Accordingly, the amount paid or payable to Employee pursuant to Section 7(d) and any Stock Program herein represents the Employee's agreement to pay and the Company's agreement to accept as liquidated damages, and not as a penalty, such amount for any such Employee breach. Employee and the Company hereby agree to submit themselves to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.

12. Employee agrees that the terms of this Agreement shall survive the termination of her employment with the Company.

13. This Agreement shall be governed by and construed in accordance with the laws in the State of Kansas, without reference to conflict of law principles thereof.

14. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

15. THE EMPLOYEE HAS READ THIS AGREEMENT AND AGREES THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREES THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE POST-EMPLOYMENT RESTRICTIONS ON THE EMPLOYEE'S ACTIVITIES ARE LIKEWISE FAIR AND REASONABLE.

16. If any provision of this Agreement shall be declared illegal or unenforceable by a final judgment of a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each remaining provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

17. No term or condition of this Agreement shall be deemed to have been waived, nor shall thereby create any estoppel against the enforcement of any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver unless specifically stated therein, and each such waiver shall operate only as to the specific term or condition for the future or as to any act other than that specifically waived.

18. No term or provision or the duration of this Agreement shall be altered, varied or contradicted except by a writing to that effect, executed by authorized officers of the Company and the Company and by Employee, and in compliance with Internal Revenue Code Section 409A.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands.

EMPLOYEE:	FISERV, INC.:	
/s/ Lynn S. McCreary	By	/s/ Charles W. Sprague
Signature		Charles W. Sprague
Lynn S. McCreary	Title:	Executive Vice President & General Counsel
Printed Name		
Date: February 23, 2010	Date:	February 23, 2010

Exhibit 10.2

AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT

This Amendment No. 1 dated as of July 1, 2013 ("**Amendment**") to Employment Agreement dated February 23, 2010 ("**Employment Agreement**" or "**Agreement**") by and between Fiserv, Inc., on behalf of itself and its subsidiaries and affiliates ("**Company**"), and Lynn S. McCreary, an individual ("**Employee**").

Unless otherwise specifically provided, terms used herein shall have the same meaning as set forth in the Employment Agreement.

1. Section 1 of the Employment Agreement is amended to delete the phrase, "Senior Vice President and Deputy General Counsel", and replace it with the phrase, "Executive Vice President and General Counsel".

2. Section 3 of the Employment Agreement is deleted and replaced with the following:

   "Employee agrees to accumulate stock ownership in the Company (including for such purposes the value of unvested restricted stock units) at a minimum level equal to three times the value of her salary, no later than the fifth anniversary of the date of this Amendment No. 1".

3. Section 7(a) of the Employment Agreement is deleted and replaced with the following,

   "(a) An annual base salary at a minimum rate of $350,000 per year, commencing on the date of this Amendment No. 1, payable in accordance with the normal payroll practices and schedule of the Company. Thereafter, the Employee's direct supervisor ("**Direct Supervisor**") will determine Employee's annual base salary, it being understood by Employee that adjustments to annual base salary will be for unusual events and will not typically be made each year. To that end, beginning in February 2014, Employee's Direct Supervisor will review annually the performance of Employee. The term "annual base salary" shall not include any payment or other benefit that is denominated as or is in the nature of a bonus, incentive payment, commission, profit-sharing payment, retirement or pension accrual, insurance benefit, other fringe benefit or expense allowance, whether or not taxable to Employee as income."

4. Section 7(b) of the Employment Agreement is deleted and replaced with the following:

   "(b) In addition to the salary provided above, as of the date of this Amendment No. 1 and thereafter, Employee shall be entitled to participate in the Management Bonus Plan or other incentive compensation program, as offered by the Company from time to time for senior executives of the Company. For calendar year 2013, Employee will have a target bonus of 70% of annual base salary as of the effective date of this Amendment No. 1 ($245,000) with an opportunity to achieve a maximum bonus of 140% of such annual base salary ($490,000). For calendar year 2013, the bonus payout will be prorated, it being understood that the Target in effect from January 1, 2013 to June 30, 2013 will apply to one half of the actual bonus, and the Target in effect as of the date of this Amendment No. 1 will apply for one half of the actual bonus, to be paid no later than March 15, 2014, according to the Company's usual practice."

5. Section 7(d)(iii) of the Employment Agreement is deleted and replaced with the following:

> "(iii) As of the date of this Amendment No. 1, Employee shall thereafter be eligible to participate annually during the Employment Term in the Fiserv Senior Managers and Senior Professionals Stock Option and Restricted Stock Program with an annual target of $300,000. Nevertheless, options and restricted stock granted thereunder may be subject to participation levels and vesting schedules not commensurate with Employee's position and may be determined in connection with Employee's annual performance evaluation. If Employee shall not be employed by the Company on the date of grant of any options or restricted stock hereunder, Employee shall not be entitled to any portion of any such options or restricted stock award. Notwithstanding anything to the contrary, all awards of options or restricted stock are subject to the approval of the Company's Board of Directors or its designated committee and vesting of such equity awards will follow normal guidelines for similarly situated executives of the Company, established by the Board of Directors of the Company at the time."

6. Section 13 of the Employment Agreement is amended to delete the phrase, "State of Kansas", and replace it with the phrase, "State of Wisconsin".

IN WITNESS WHEREOF, the undersigned have hereunto set their hands.

EMPLOYEE:	FISERV, INC.
/s/ Lynn S. McCreary	By /s/ Jeffery W. Yabuki
Lynn S. McCreary	Jeffery W. Yabuki
Lynn S. McCreary	President and Chief Executive Officer
Printed Name	Title
July 1, 2013	July 25, 2013
Date	Date

EXHIBIT 31.1

CERTIFICATIONS

I, Jeffery W. Yabuki, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fiserv, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 30, 2013

By: /s/ Jeffery W. Yabuki
Jeffery W. Yabuki
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, Thomas J. Hirsch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fiserv, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2013

By: /s/ Thomas J. Hirsch

Thomas J. Hirsch
Executive Vice President,
Chief Financial Officer,
Treasurer and Assistant Secretary

EXHIBIT 32

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Fiserv, Inc. (the “Company”) for the quarter ended September 30, 2013 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Jeffery W. Yabuki, as President and Chief Executive Officer of the Company, and Thomas J. Hirsch, as Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary of the Company, each hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Jeffery W. Yabuki
Jeffery W. Yabuki
October 30, 2013

By: /s/ Thomas J. Hirsch
Thomas J. Hirsch
October 30, 2013