

The Fiserv logo is positioned in the top right corner of the page. It consists of the word "fiserv." in a lowercase, sans-serif font, with the "f" in orange and the remaining letters in blue. The background of the entire page is a low-angle photograph of a modern glass skyscraper against a bright blue sky with scattered white clouds. The image is overlaid with several geometric shapes: a dark grey horizontal bar at the top, a white square on the left, an orange square in the middle, and a light grey square on the right.

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DIRECTIONS

Summer
2010

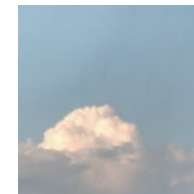
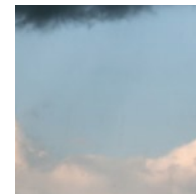
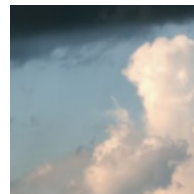
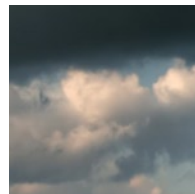


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Weathering the Storm

The prairie's uninterrupted horizon offers the perfect vantage point to watch a thunderstorm's evolution. Churning, distant clouds give way to nature's majestic fury, before finally, the skies clear and the storm moves on.



The past few years, at times, felt like a "perfect storm" in the financial industry, and no doubt you have felt its tumultuous effects. Your partnership with Fiserv provides an important competitive edge to weather the current economic conditions and prepare for the coming recovery, offering your organization the innovation, support and guidance you need to move forward in an evolving marketplace.

Just as the plain's panoramic vistas make it possible to see a storm come and go, Fiserv's vision and leadership can help prepare you for what's next on the financial services horizon. Anticipating trends, providing valuable insights, leading innovation—that's what we do best. With Fiserv by your side, your organization is well positioned to come safely through the turmoil.

Your choice of Premier®, the most popular, robust and tightly integrated banking platform on the market, certainly puts your organization in

good company—nearly 40 percent of American financial institutions deploy this legendary banking solution. And with the strength, depth and breadth that Fiserv offers, your technology investment delivers a comprehensive choice of innovative products and services that can help you compete in any market, and against any financial institution. In the following pages, you'll read about banks that are doing just that—utilizing Premier and other Fiserv solutions to solve their challenges.

We believe there are significant opportunities for our clients in the months and years ahead, and are determined to help you take full advantage of what the future holds. In Fiserv, you have a partner who understands both where you are and where you want to be. As the storm clouds gather and ultimately pass, you can trust our vision to help you navigate in new and more profitable directions.

Enterprise Bank: Efficiency and Growth Using Merchant Source Capture



Like many financial institutions, Enterprise Bank is always looking to expand its geographic footprint and increase its market share. Merchant Source Capture™ for Premier, the Fiserv solution that gives business customers remote deposit capability at their desktops, furthers both objectives. Plus, after the solution was introduced, Enterprise Bank realized some unexpected benefits.

Headquartered in Lowell, Massachusetts, 30 miles northwest of Boston, Enterprise has 17 branch offices serving 13 communities in Massachusetts and two in New Hampshire. The bank has grown to more than \$1.3 billion in assets since its founding in 1989.

Because its business is more than 80 percent commercial, Enterprise Bank was a natural candidate for the merchant capture solution from Fiserv. The bank first installed Merchant

Capture for Premier at customer offices in May 2006, and installed the browser-based Merchant Source Capture in February 2009.

A market pioneer in merchant capture services among banks its size, Enterprise Bank strategically priced the product for its customer base. "The larger banks were selling the scanning device to their customers for about \$1,300, plus installation and maintenance," says Brian Collins, vice president and senior customer services manager. "That model didn't fit our customer demographic of small to medium-size businesses, who have to justify every additional expense."

Enterprise Bank decided instead to provide the scanner with the merchant capture service for \$75 per month. More recently, Enterprise settled on a new price structure, charging \$10 per account, per month, with the average customer processing two to three accounts using the service.

The affordable pricing has helped Enterprise build a solid customer base for merchant capture, with 398 customer agreements signed, and 274 Unisys and Canon check scanners deployed. Most customers are able to process about 25 items a minute, with a low exception rate.

Enterprise Bank customers value the merchant capture service, sometimes for surprising reasons. “One business thought it was a great idea because their employees had had several car accidents driving to the bank, and it was a liability issue,” Collins says. “Another never liked filling out the deposit slip, and appreciates the fact that this program fills it out automatically.”

“Merchant Source Capture has enhanced our reputation throughout the communities we serve.”

Brian Collins
Enterprise Bank

Perhaps the greatest customer benefit is Enterprise Bank’s extended cut-off time of 5 p.m. for merchant capture customers, enabling them to process work closer to the end of the day. Customers now have

faster funds availability and better cash flow because they deposit checks as they come into their offices.

Merchant capture has boosted efficiency at Enterprise, shifting some of the bank’s processing activity from the front counter to the back office. In the first quarter of 2010, Enterprise received 206,000 merchant capture items, accounting for nearly 14.5 percent of the proof department’s volume, while teller transactions were down more than 5.6 percent.

Since offering merchant capture, Enterprise has indeed been able to expand its geographic reach. The bank now serves more customers in the Boston area, but has also deployed scanners in other states where Enterprise customers have business operations.

Collins says Merchant Source Capture for Premier has positioned Enterprise Bank as a leader in technology and innovation. “We’re able to do everything the larger banks can, while providing a high level of high-touch customer service for a lower cost,” he says. “It has enhanced our reputation throughout the communities we serve.”

Targeting (and Re-Targeting) the Market

When Enterprise Bank rolled out its merchant capture service in 2006, the intended market was geographically defined—namely, potential customers without convenient access to an Enterprise branch. That target quickly changed.

“We soon found out that it didn’t matter where the customer was located,” Collins says. “We had customers next door to one of our branches who were signing up for it out of convenience.”

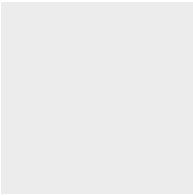

Many of those customers were small professional practices, such as lawyers, CPAs, dentists and doctors, who didn’t have extra staff that could leave to make a deposit before the bank closed at 4 p.m. These firms had been sitting on checks—many of them for large amounts—and making deposits as infrequently as once a week. Enterprise realized getting those large checks deposited sooner would be a substantial benefit to these professionals.

Enterprise worked fast to capitalize on this newfound knowledge. “We quickly rolled out a new marketing campaign, offering the merchant capture service for free to professional practices and all customers who had checking balances in excess of \$100,000,” says Collins. “As a result, we’ve done very well with these professional offices.”

Collins says the key to making merchant capture a sustained success is staying nimble and aggressive. “Because we are a smaller bank, we are able to adjust as new opportunities are presented,” he says.



Premier Clients Invited to White House Meeting



President Obama welcomed a dozen community bankers to the White House this past December 22, including five representatives of banks that run on the Premier bank platform. At the meeting, Obama led a discussion about the role that community banks can play in turning around the current economy.

“Community banks serve a vital function all across the country. They are folks who know their customers, and are intimately woven into the fabric of the community,” said Obama after the meeting. “We feel very optimistic that the worst is behind us, and that now is the time to seize opportunities.”

The five Premier clients who were invited to meet the president include: Matthew Gambbs from Diamond Bancorp for Bank of Washington in Washington, Missouri; Mark Schroeder from German American Bancorp in Jasper, Indiana; James MacPhee from Kalamazoo County State Bank in Schoolcraft, Michigan;

Deloris Sims from Legacy Bank, Milwaukee, Wisconsin; and Paul Mello from Solvay Bank, Syracuse, New York.

According to Mello, Obama emphasized to those gathered at the historic meeting that community banks not only didn't contribute to the current economic conditions, they are, in fact, part of the solution.

“The president assured us that we were there in a collaborative effort to get this economy moving in the right direction—to get loans to small businesses and to create jobs for the American economy,” says the Solvay Bank CEO.

Part of Mello's purpose in going to Washington was to share his thoughts on how the current administration can be supportive to community banking in terms of regulatory reform, the regulatory burden, and improvements to small business lending programs. He also hoped to talk about ways to stimulate



Paul Mello
Solvay Bank



James MacPhee
Kalamazoo County
State Bank

the economic recovery, especially in central New York. “The president said his goal for the meeting was to listen to what was happening on the ground floor in our markets, and to hear how we thought his administration could support us,” says Mello.

Since its founding in 1917, Solvay Bank has focused on small business lending, an area of particular concern the past two years. “We have plenty of capital and continue to lend; however, we have

seen the demand for loans decrease as many businesses in the area are constrained by the poor economic climate,” says Mello, adding that he impressed upon Obama how important the Small Business Administration is to struggling businesses and that continued support is critical.

MacPhee conveyed a similar message to the president. “My concern is getting capital to community banks that need it to survive so that we can help our long-term customers,” says the Kalamazoo County State Bank CEO, adding that Obama was very accommodating and seemed interested in what the bankers had to say.

“It was very humbling to represent community bankers from across the nation,” says MacPhee. “With all that a president has to deal with on a daily basis, I was impressed he took an hour out of his schedule to talk with community bankers.”

Although he didn’t realize it at the time of the White House meeting, MacPhee finds it intriguing that nearly half of the bankers called to meet with Obama lead banks utilizing Premier. “The fact that so many of us at the meeting are Premier clients is an indication that Fiserv technology helps us to be leaders in the industry.”

According to reports of the meeting, Obama did more listening than talking during the hour-long session as the community bankers outlined their concerns. “This was the first time community bank presidents were invited to the White House for a meeting of this sort,” says Mello. “I was both honored and humbled to be able to meet with a sitting president in the Roosevelt Room.”

The Next Generation: Machias Savings Bank's Online Strategy



Executives at Machias Savings Bank know that the online and mobile channels are key to staying ahead of demand, both from their commercial customer base and the retail communities they serve. To help maintain a competitive edge, the Maine-based bank has developed an expansive online strategy that includes many of the services designed to meet the needs of Generation Y banking customers.


Recent research commissioned by Fiserv shows that members of Gen Y are frequent users of online and mobile financial services, are more likely to have debit cards and savings accounts than any other generation, and rely heavily on other people and online information when making financial product decisions. Machias Savings Bank is doing all it can to meet the needs of these consumers.

"Offering services that typically have a Gen-Y focus helps us to compete with the big banks, even when it comes to

attracting business customers," says Chris Lyford, senior vice president, product & delivery, for Machias Savings Bank. "We've also found that customers of any age enjoy using these services, so there's a strong business reason behind being a technology leader."

Fiserv solutions for Internet banking, mobile banking, e-alerts and online bill payment are all part of Machias Savings Bank's online presence. The bank has also taken advantage of integration between Fiserv Internet banking solutions, ePort™ and Business Process Manager for Premier. Together, these solutions provide a convenient online method for consumers to easily convert existing accounts to the Ultimate Green Checking product.

Developed using Relationship Rewards for Premier, Ultimate Green Checking offers customers a premium interest rate and other perks for meeting certain



environmentally friendly criteria each month, such as receiving e-statements.

When existing customers transfer to the account, the bank has the potential to boost fee-based revenue from increased debit activity, and also to cut costs by reducing the number of paper statements mailed. Offering an attractive rewards product additionally helps the bank draw in new customers and build loyal relationships.

Another online service that Machias Savings Bank has taken advantage of is LinkLive Banking secure mail and customer service instant messaging. Whether a customer is on the bank's website or logged in to online banking, a representative at the bank is only a click away. Machias currently receives about 150 chat sessions initiated by customers each month and is seeing steady growth in that number.

"Online chat is great for customers who may not pick up the phone to call for a question because they're afraid to get stuck on hold," notes Lyford. "It's less intimidating in some ways to do a quick chat session."

"Offering services that typically have a Gen-Y focus helps us to compete with the big banks, even when it comes to attracting business customers."

Chris Lyford
Machias Savings Bank

This year, Machias Savings Bank plans to expand its use of LinkLive Banking by offering instant messaging internally to streamline communication between employees. The bank also plans to implement the solution's desktop shadowing feature, which provides designated employees the ability to view (with permission) the customer's screen while conducting a service call.

"Calls can go too long because there's a disconnect between what the customer is seeing and what the CSR is describing," explains Lyford. "Desktop shadowing can help with that, and we like the security of a one-way shadow. Employees are able to provide better assistance without taking control of the customer's PC."

According to Lyford, Fiserv provides an important partnership for the technology-driven bank.

"Fiserv is on the cutting edge of what's going on in the market, which helps us respond quickly when the competition suddenly offers something that we don't."

Excelling in Online Education

Links posted throughout Machias Savings Bank's website provide customers with quick access to convenient online tutorials on both business and retail products, and hot industry topics like identity theft protection.

Available through our partnership with Beaver Creek Marketing, these tutorial videos give customers an inside view of a service, helping increase customer confidence and boost enrollments. The bank also uses the videos to help its employees quickly and easily learn the benefits of a solution.

"The ability to post YouTube-like videos next to the product description, right where the customer goes to learn about it, has taken product education to a whole new level," says Lyford. "Customers can see exactly what a service is all about before signing up."

Energy and Experience Fuel Success at Edgar County Bank & Trust



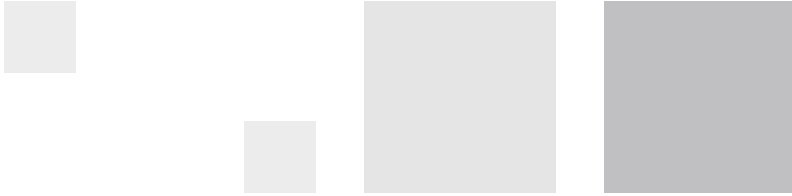
Since converting to Premier six years ago, Edgar County Bank & Trust Co. has embraced the Premier bank platform, become an active and progressive member of the Premier users community, and cultivated a close working partnership with Fiserv. During that same period, the bank has grown, both organically and through acquisition, from four branches to seven, and from \$166 million to \$285 million in assets.

What's the secret of the bank's success? Founded 137 years ago in Paris, Illinois, Edgar County Bank demonstrates an impressive adaptability. "It helps that we're in a market that doesn't have big ups and downs, but the number one factor shaping our success is our people," says W. Eric Volkmann, president and CEO. Referring to himself as a relative rookie, he praises the bank's experienced executive team for creating and maintaining a strong and principled organization. "As long as we're steadfast

to the principles of good lending, good deposit gathering and serving customers, we can survive a lot of economic storms."

For their part, bank executives Sharon Hornbrook, senior vice president and chief operating officer, Carol Hughes, senior vice president and cashier, and Carla Wimsett, vice president and compliance officer, good-humoredly cite "keeping up with Eric" as one of their greatest challenges. The CEO's ability to communicate a shared vision and steer Edgar County Bank & Trust toward a vigorous pursuit of new goals combines advantageously with expert execution on the part of the bank's managers and staff.

As part of that pursuit of new goals and opportunities, in the fourth quarter of 2009 Edgar County Bank broke into new markets with two acquisitions. Expansion involves challenges, and part of the motivation for the bank's recent enrollment in the Platinum Advisory Services program is to enlist



Fiserv's help in dealing with its "growing pains." Among these are the technological challenge of getting disparate systems to communicate, and the business challenge of centralizing and aligning product delivery.

"We are faced with everything from changing our regional name to figuring out how we can efficiently process and archive loan and deposit documents in remote locations," says Volkmann. "We need to be able to utilize our system to properly audit and view files from afar." Assisting financial institutions with these types of challenges is something Fiserv has more experience with than any other banking software vendor in the U.S.

Decision makers at Edgar County Bank realize the importance of putting advanced technologies in place and choosing the right partner. In fact, Hornbrook recalls that Edgar County Bank chose Premier because Fiserv seemed to be a step ahead in making

the move to Microsoft Windows-based applications. Since converting, the bank has added to their Premier suite by licensing a full complement of additional Fiserv solutions, including Internet banking, remote deposit capture, workflow, customer relationship management, risk and compliance, image exchange and document management solutions.

"As long as we're steadfast to the principles of good lending, good deposit gathering and serving customers, we can survive a lot of economic storms."

W. Eric Volkmann
Edgar County Bank & Trust

That's another reason they've engaged Platinum Advisory Services, which provides access to Fiserv professionals who combine industry knowledge and software expertise to help financial institutions optimize their use of technology. "Currently, one of our big goals is to more efficiently utilize

the solutions we've purchased—to get them fully implemented and use them to the max," says Hornbrook.

The leadership at Edgar County Bank enthusiastically participates in user group meetings and other gatherings that offer an opportunity to network with fellow Premier clients, such as client conferences and CEO Summits. According to Wimsett, the user group meetings are an occasion to learn what's new and upcoming from Fiserv, and to hear other users' experiences with the bank platform. "Training, too, is very important," says Hughes. "Acquiring technology is the easy part, but good use of the right pieces in the right places—that's critical."

Edgar County Bank's team is optimistic about the bank's future. "The current economic situation is creating a lot of opportunities for organic and acquisition growth," says Volkmann. Partnered with Fiserv, he and the team at Edgar County Bank plan to make the most of those opportunities.

Fauquier Bank's Switch to Premier Saves Money and Grows Deposits




TFB The Fauquier Bank
Banking and Wealth Management Services

In the foothills of the Blue Ridge Mountains, city life gives way to horse farms, wineries and a quieter existence in Fauquier County, Virginia. Just 45 minutes from Washington, D.C., this area is home to an increasing number of commuters as the city pushes farther west on an almost daily basis. Serving the growing population of this picturesque, dynamic region is Fauquier Bank, a locally owned independent community bank in Fauquier and neighboring Prince William Counties.

Because of the bank's prudent choices, high credit quality standards and competitive pricing, the \$570-million bank is poised for growth at a time when many financial institutions are treading water. "Due to careful management of expenses, we were able to grow deposits, rebuild a branch and open two new branches in 2009," says Chip Register, CIO for Fauquier Bank.

It's the same judicious decision-making that led Fauquier Bank to upgrade its account processing system to the Premier bank platform a year ago. According to Register, the capabilities, functionality and integration offered by Fiserv were keys to the bank's switch. "Fiserv brings a lot of value to the table, and we soon realized we were also going to save a nice chunk of money," says Register, adding that because Premier and other Fiserv products more closely matched the Fauquier Bank's strategic direction, the decision was a relatively easy one.

Due to the scope of the technology being implemented, Fauquier Bank knew converting its system would be a daunting task—the most far-reaching and complex project of its kind the bank has ever undertaken, according to Register. Careful planning, good communication and nearly flawless execution from the bank's team and Fiserv ensured a successful launch



in June 2009. The project came in on budget and on time, and Fauquier Bank was able to complete night processing the first night after the conversion.

Fauquier Bank stands to save close to \$1 million over the course of the six-year contract, thanks to the advantages a partnership with Fiserv represents. For example, the bank will save \$44,000 by replacing three disparate image and document management systems with Director for Premier. “We saved money while realizing tremendous efficiencies in imaging content management,” says Register. “The Director implementation has been a home run.”

Providing a “high-touch, high-tech” environment for its customers is integral to Fauquier Bank’s ability to compete with larger institutions, according to Mark Debes, SVP of retail banking and marketing for the bank. “We can’t afford to be caught behind the curve by not having robust Internet banking, not

being able to deliver e-statements, or not being able to provide sophisticated cash management tools like ACH and remote deposit capture,” says Debes. “We’ll get killed in the marketplace if we don’t.”

“Our customers expect a certain level of tools and technology, and we will continue to improve our online banking presence.”

Chip Register Fauquier Bank

Customers are taking note of the bank’s newly improved online banking features and functionality since the conversion: online retail customer accounts have grown 29.8 percent, while online business accounts have grown 48.2 percent. “Our customers expect a certain level of tools and technology, and we will continue to improve our online banking presence,” says Register, adding that the bank likes the user experience enhancements incorporated in the newest versions of eCom and eCorp for Premier.

Register says the bank plans to be aggressive in implementing new technologies from Fiserv. “So that our customers’ experience does not pale in comparison with the larger institutions in our area, we look to Fiserv to help us remain as high tech as we are able to operationally and financially support,” says Register.

Nearly a year after the conversion, Fauquier Bank continues to realize increased efficiencies and benefits. Because of its extensive relationship with Fiserv, Register says it is essential to optimize the new partnership by communicating regularly with Fiserv representatives, investigating new and enhanced products, and talking with other banks as they make the decision to switch providers. “Partnerships, like relationships, have to be actively managed or you don’t get the maximum benefit,” says Register. “Fiserv is critical to our success, and we’re confident we’ve made the right decision.”

Bank Solutions 2010 Provides Insight

For clients seeking to maximize their technology investment, the Bank Solutions 2010 national client conference was the place to be. Nearly 1,000 representatives of the banking industry attended the March 28-31 conference in Orlando, Florida, the largest-ever Fiserv event of its kind.

Tracey Koenig from Northwest Bank in Spencer, Iowa, finds the event to be worth the investment. "The most valuable aspect of the conference is being with my peers and learning from the experts. The brightest and best tend to come to these conferences," she says.

Through keynote perspectives, product demonstrations, panel discussions and networking opportunities, the conference provided insight into the issues facing America's financial institutions, while suggesting strategies to address these challenges. Marking



a first in conference history, Bank Solutions 2010 was a unified national gathering for clients utilizing five of Fiserv's popular bank platforms. The event also showcased a host of other solutions from across Fiserv.

"I'm certain those who attended discovered specific ways to help their financial institution grow and save money," says Dave Wegman, general manager for the Premier operating unit of Fiserv's Bank Solutions group. "Our clients learned about the solutions that will provide them with the greatest return on investment, as well as how to get more value from the solutions they've already deployed."



The popular Solution Center featured 36,000 square feet of live demonstrations of the newest and most innovative Fiserv products. "I enjoy the conference because we interact with the Fiserv experts behind the products. We get a full demonstration of how the products work, and a greater understanding of functionality," says Merry Bagwell from Countybank in Greenwood, South Carolina. "We're able to see where Fiserv is headed, which helps us as we grow our business."

Bank Solutions 2011

Plans are already underway for the Bank Solutions 2011 national client conference April 17-20 at Mandalay Bay in Las Vegas.

We hope to see you then.



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