

CHECKFREE CORPORATION BOARD OF DIRECTORS CORPORATE GOVERNANCE GUIDELINES

A. BOARD COMPOSITION

- 1. Size of the Board** - In accordance with the Corporation's Bylaws, the Board is composed of no less than 5 and no more than 15 members. The current number of Directors is 8 and is determined by the Board, by amendment to the Bylaws, based on its current composition and requirements.
- 2. Mix of Inside and Outside Directors** - The Board shall have a majority of independent Directors and believes that as a matter of policy there should be a significant majority of independent Directors on the Board.
- 3. Board Definition of What Constitutes Independence for Directors** – The Board agrees with the NASDAQ Stock Market Rule 4200 definition of “Independent Director”. The Board will make an affirmative decision regarding each director's independence each year. For purposes of determining independence of the audit committee members, the Board agrees with the provisions of Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended.
- 4. Periodic Meetings of Independent Directors** – The Board's policy is to have an executive session of independent directors, at which only they are present, at least twice a year to review, among other things, the report of the outside auditors and the performance and compensation of the Chairman and Chief Executive Officer. Additional executive sessions may be held from time to time at the request of any Director.
- 5. Retirement Policy** – The Board has established a retirement policy for directors which it feels is appropriate for current circumstances. Under that policy directors may not stand for re-election after reaching age 70.
- 6. Term Limits** – As an alternative to term limits, the Governance Committee, in conjunction with the Chairman of the Board, will formally review each Director's continuation on the Board at the end of such Director's three-year term.
- 7. Former Chief Executive Officer's Board Membership** – The Board believes this is a matter to be decided in each individual instance. Whether the individual continues to serve on the Board is a matter for discussion with the new Chief Executive Officer and the Board at the time of the expiration of the former Chief Executive Officer's current term on the Board of Directors.

B. BOARD COMMITTEES

1. **Number and Types of Committees** – The current three Committees are Audit, Compensation and Governance Committees. There will, from time to time, be occasions on which the Board, upon the recommendation of the Governance Committee, may want to form a new committee or disband a current committee depending upon the circumstances.
2. **Committee Members** – The members and chairs of the committees are recommended to the Board by the Governance Committee and the Chairman and Chief Executive Officer. The Audit Committee, the Compensation Committee and the Governance Committee are made up of only independent Directors. The membership of these committees is rotated from time to time.
3. **Compensation of the Board and the Committee Members** – The Governance Committee shall be responsible for making a recommendation to the Board of Directors with respect to the appropriate compensation of Directors and Committee Members.

C. SELECTION OF DIRECTORS AND BOARD LEADERSHIP

1. **Selection of New Directors** – The Governance Committee, in consultation with the Chairman and Chief Executive Officer, is responsible for recommending to the Board qualified Director nominees for approval by the Shareholders at each Annual Meeting and for developing recruitment processes designed to identify qualified candidates to serve as Directors of the Company.
2. **Selection of Chairman and Chief Executive Officer** – The Board should be free to make this choice any way that seems best for the Company at a given point in time. Therefore, the Board does not have a policy, one way or the other, on whether or not the role of the Chief Executive Officer and the Chairman should be separate.
3. **Evaluation of Chairman and Chief Executive Officer** – The Board believes that the Governance Committee should be responsible for managing the process of evaluating the Chairman and Chief Executive Officer and that the Compensation Committee should be responsible for determining the compensation of the executive officers of the Company, including the Chairman and Chief Executive Officer. The Governance Committee and the Compensation Committee should present their determinations to the Board for discussion at a meeting at which no executive officer, including the Chairman and Chief Executive Officer, is present.

4. **Succession Planning** - The Board believes that the Compensation Committee should be responsible for reviewing succession planning and management development with the Chairman and Chief Executive Officer on an annual basis. The Compensation Committee should present its findings with respect to succession planning for the Chief Executive Officer to the Board for discussion.
5. **Lead Independent Director** – The Board does not believe it is necessary to formally appoint a “lead director”.
6. **Board Assessments** – The Board will periodically conduct self assessments relating to the performance of the Board as a whole and of individual board members.