

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>UNITED STATES OF AMERICA,</b>	)	
	)	
<b>Plaintiff,</b>	)	
	)	
<b>v.</b>	)	
	)	<b>Civil Action No. 98-7076 (BSJ)</b>
<b>VISA U.S.A. INC.,</b>	)	
<b>VISA INTERNATIONAL CORP., AND</b>	)	
<b>MASTERCARD INTERNATIONAL</b>	)	
<b>INCORPORATED,</b>	)	
	)	
<b>Defendants.</b>	)	
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**DECLARATION OF GEORGE A. ROZANSKI**

I, George A. Rozanski, hereby declare as follows:

1. I am an economist with the Antitrust Division of the Department of Justice. I joined the Division in 1985. In October, 1997, I became Acting Chief of the Economic Regulatory Section, one of the three sections of the Economic Analysis Group (“EAG”) of the Antitrust Division. In March, 1998, I was appointed Chief of the Economic Regulatory Section.

2. EAG is a component of the Antitrust Division with responsibility, among other things, for analyzing, in conjunction with Antitrust Division lawyers, the economic issues relating to mergers and acquisitions, cartel behavior, and other actions which may have anticompetitive effects. EAG economists work closely with Antitrust Division attorneys throughout all phases of investigation and pre-filing preparation for litigation, including: formulating theories to investigate, drafting interrogatories and document Civil Investigative

Demands (“CID”), creating an investigatory plan, and drafting and asking questions as part of interviews and pre-complaint depositions.

3. It is the practice of EAG economists working on investigations to prepare memoranda setting forth their recommendations, opinions, and conclusions concerning the issues at hand. These memoranda typically include the economists’ analysis of information provided to the Antitrust Division by parties and non-parties to the investigation, as well as information from publicly available sources, that the economists or attorneys have determined to be relevant. The memoranda are created to provide Antitrust Division officials with EAG’s candid thoughts, conclusions, and recommendations as to whether the Division should challenge the investigated conduct.

4. I have reviewed the Declaration of Joel I. Klein and the Schedule of Documents to the Declaration of Joel I. Klein. I have also reviewed the Economic Memoranda described in the Schedule.

5. I participated in the investigation leading to the filing of the Complaint in this litigation and supervised other economists within EAG working on the investigation. These economists include Robert Town, Andrew Dick, Alexander Raskovich, and Ian Gale, each of whom authored memoranda listed in the Schedule. Other Antitrust Division economists also participated in the investigation, including Richard J. Gilbert, a former Deputy Assistant Attorney General, Andrew S. Joskow, a former Deputy Assistant Attorney General, Marius Schwartz, Acting Deputy Assistant Attorney General and Director of Economic Enforcement, and Gregory Werden, Chief, Appellate Liaison Unit.

6. The Economic Memoranda were created as part of EAG's analysis of the conduct at issue. They set forth economic opinions formulated as part of the process of giving the economists' written advice to senior officials of the Antitrust Division, including Joel I. Klein, as part of the deliberative process that resulted in the decision to file the Complaint in the above-captioned litigation.

7. As Assistant Attorney General Klein describes, the information contained in the Economic Memoranda reflect the deliberative processes of the Antitrust Division's lawyers as well as economists. Moreover, the selection of information to include in those documents reflects the opinions and judgment of staff of EAG as to what matters were appropriate for consideration during the deliberations regarding the investigation and decision to file the Complaint.

8. Disclosure of the Economic Memoranda, including the information selected by Antitrust Division economists to include in the memoranda, would certainly chill the frank exchange of ideas by economists and lawyers within the Division. If the Government's representatives are to come to a fair and correct judgment about when to prosecute, it is vital that all such representatives be able to give their thoughts and opinions without concern that the parties being investigated will later review each of those thoughts in litigation. Such a review would obviously inhibit, if not put an end to, candid discussions.

I declare under the penalty of perjury that the foregoing is true and correct. Executed on  
January 13, 1999, in the District of Columbia.

\_\_\_\_\_/s/\_\_\_\_\_  
George A. Rozanski, Chief  
Economic Regulatory Section  
Economic Analysis Group  
Antitrust Division  
United States Department of Justice