

Citicorp

153 E. 53rd Street
New York, NY 10043John S. Reed
Chairman

April 17, 1998

GOVERNMENT
DEPOSITION
EXHIBIT
1384Mr. Hugh L. McColl, Jr.
President and Executive Officer
NationsBank Corporation

Dear Hugh,

I apologize for being late. I am sure you will understand we seem to have all been busy.

As you know we have been analyzing alternatives for our card business - we looked at starting a new association, at teaming with existing authorization networks (e.g. Discover) and at modifying the rules of Visa (or M/C) to permit a "non-branded" class of member.

My sense is that two alternatives are viable. If a number of us want to get together we can create a new network, gain full merchant acceptance, use Citicorp's global acceptance capabilities (Diners) to service our US customers outside of this country. Each issuing bank would use its own brand...the merchant decal would feature each issuers brand. The cost of building an acceptance network would be approximately 1.0 billion dollars, we save our 18 basis points on sales now paid to the associations, we would authorize and thereby guarantee checks as well as cards at the point of sale and should have operating costs for clearing and settlement that are comparable or lower than those currently incurred. If we give full priority we could target parity merchant acceptance in six months. In establishing the new network we would have a common merchant contract, however each issuer would have a BIN number permitting individual contracts later.

Alternatively, Visa has indicated a willingness to support the modification to the by-laws necessary to permit a new class of issuers: one that did not use the Visa name other than "on the back" for merchant acceptance. Those who selected this category would not pay for, nor benefit from, advertising or product development activities. Our association fees would be reduced by 5-6 basis points. I would assume that each of us would put a senior (ourselves?) on the Board and be sure to move the association towards

P-0157

HIGHLY CONFIDENTIAL

C 005842

full support for the new class of issuer, lower costs and an expansion to include check authorization and ultimately, clearing and settlement.

I would be willing to move either way - the first is "cleaner" and avoids conflicts with "Visa issuers". But we must bear the costs of establishing a "new" system. Working through the association allows us to continue to benefit from our "sunk investments" but keeps alive an association and its governance that is anything but united in its interest.

I think that we should get together. I will ask my secretary, Terry, to call and see when and where we would be able to meet.

Best regards,

A handwritten signature, possibly initials, consisting of a large, stylized 'A' with a horizontal line extending to the right.

Citicorp

153 E. 53rd Street
New York, NY 10043John S. Reed
Chairman

April 17, 1998

Mr. Verne G. Istock
Chairman
First Chicago NBD Corporation

Dear Verne,

I apologize for being late. I am sure you will understand we seem to have all been busy.

As you know we have been analyzing alternatives for our card business - we looked at starting a new association, at teaming with existing authorization networks (e.g. Discover) and at modifying the rules of Visa (or M/C) to permit a "non-branded" class of member.

My sense is that two alternatives are viable. If a number of us want to get together we can create a new network, gain full merchant acceptance, use Citicorp's global acceptance capabilities (Diners) to service our US customers outside of this country. Each issuing bank would use its own brand..the merchant decal would feature each issuers brand. The cost of building an acceptance network would be approximately 1.0 billion dollars, we save our 18 basis points on sales now paid to the associations, we would authorize and thereby guarantee checks as well as cards at the point of sale and should have operating costs for clearing and settlement that are comparable or lower than those currently incurred. If we give full priority we could target parity merchant acceptance in six months. In establishing the new network we would have a common merchant contract, however each issuer would have a BIN number permitting individual contracts later.

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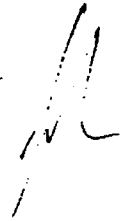
C 005844

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I think that we should get together. I will ask my secretary, Terry, to call and see when and where we would be able to meet.

Best regards,

A handwritten signature, possibly initials, consisting of a large, stylized letter 'A' with a horizontal line extending to the right and a vertical line extending downwards from the center.

Citicorp
153 E. 53rd Street
New York, NY 10043

John S. Reed
Chairman

April 17, 1998

Mr. Thomas G. Labrecque
The Chase Manhattan Corporation

Dear Tom,

I apologize for being late. I am sure you will understand we seem to have all been busy.

As you know we have been analyzing alternatives for our card business - we looked at starting a new association, at teaming with existing authorization networks (e.g. Discover) and at modifying the rules of Visa (or M/C) to permit a "non-branded" class of member.

My sense is that two alternatives are viable. If a number of us want to get together we can create a new network, gain full merchant acceptance, use Citicorp's global acceptance capabilities (Diners) to service our US customers outside of this country. Each issuing bank would use its own brand...the merchant decal would feature each issuers brand. The cost of building an acceptance network would be approximately 1.0 billion dollars, we save our 18 basis points on sales now paid to the associations, we would authorize and thereby guarantee checks as well as cards at the point of sale and should have operating costs for clearing and settlement that are comparable or lower than those currently incurred. If we give full priority we could target parity merchant acceptance in six months. In establishing the new network we would have a common merchant contract, however each issuer would have a BIN number permitting individual contracts later.

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C 005846

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Best regards,

A handwritten signature, possibly initials, consisting of a large, stylized letter 'A' with a vertical line extending downwards from its base.

Citicorp

153 E. 53rd Street
New York, NY 10043John S. Reed
Chairman

April 17, 1998

Mr. David A. Coulter
Chairman
BankAmerica Corporation

Dear Dave,

I apologize for being late. I am sure you will understand we seem to have all been busy.

As you know we have been analyzing alternatives for our card business - we looked at starting a new association, at teaming with existing authorization networks (e.g. Discover) and at modifying the rules of Visa (or M/C) to permit a "non-branded" class of member.

My sense is that two alternatives are viable. If a number of us want to get together we can create a new network, gain full merchant acceptance, use Citicorp's global acceptance capabilities (Diners) to service our US customers outside of this country. Each issuing bank would use its own brand...the merchant decal would feature each issuers brand. The cost of building an acceptance network would be approximately 1.0 billion dollars, we save our 18 basis points on sales now paid to the associations, we would authorize and thereby guarantee checks as well as cards at the point of sale and should have operating costs for clearing and settlement that are comparable or lower than those currently incurred. If we give full priority we could target parity merchant acceptance in six months. In establishing the new network we would have a common merchant contract, however each issuer would have a BIN number permitting individual contracts later.

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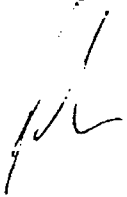
C 005848

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I would be willing to move either way - the first is "cleaner" and avoids conflicts with "Visa issuers". But we must bear the costs of establishing a "new" system. Working through the association allows us to continue to benefit from our "sunk investments" but keeps alive an association and its governance that is anything but united in its interest.

I think that we should get together. I will ask my secretary, Terry, to call and see when and where we would be able to meet.

Best regards,

A handwritten signature in dark ink, appearing to be a stylized 'M' or similar initials, located below the text 'Best regards,'.

Citicorp

153 E. 53rd Street
New York, NY 10043John S. Reed
Chairman

April 17, 1998

Mr. John B. McCoy
Chairman
Banc One Corporation

Dear John,

I apologize for being late. I am sure you will understand we seem to have all been busy.

As you know we have been analyzing alternatives for our card business - we looked at starting a new association, at teaming with existing authorization networks (e.g. Discover) and at modifying the rules of Visa (or M/C) to permit a "non-branded" class of member.

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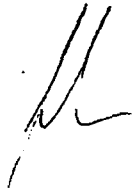
C 005850

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I think that we should get together. I will ask my secretary, Terry, to call and see when and where we would be able to meet.

Best regards,

A handwritten signature in black ink, consisting of several stylized, overlapping strokes that form a cursive-like name.

Citicorp

153 E. 53rd Street
New York, NY 10043

John S. Reed
Chairman

April 17, 1998

Mr. Carl Pascarella
President and CEO
Visa USA Inc.

Dear Carl,

I apologize for being late. I am sure you will understand we seem to have all been busy.

As you know we have been analyzing alternatives for our card business - we looked at starting a new association, at teaming with existing authorization networks (e.g. Discover) and at modifying the rules of Visa (or M/C) to permit a "non-branded" class of member.

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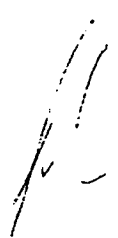
C 005852

on the Board as be sure to move the association towards full support for the new class of issuer, lower costs and an expansion to include check authorization and ultimately, clearing and settlement.

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Best regards,

A handwritten signature, possibly "A", written in dark ink. The signature is stylized and somewhat abstract, consisting of several overlapping strokes.