

**Portion of Gayle M. Rigione's Handwritten Notes of MasterCard Senior
Management Group Meeting on February 8, 1996
(as interpreted by Gayle Rigione)**

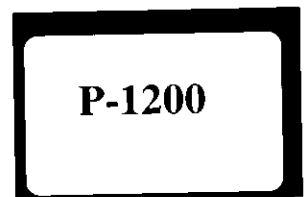
American Express Issue:

- we have no rules that prohibit members from issuing Amex. As a franchisee.
Relationship with bank issuing.
- Amex going into licensing business - franchising.
- Visa has a rule in the U.S. that member of Visa cannot participate in Discover, Amex.
... a Competing Card (excluding MasterCard). This says that Wells can't issue an
Amex card.

RNC - concerned about our members issuing Amex and eroding the strength. Our
MasterCard Brand.
Other side is to the extent the Visa banks issue Amex. The more our share improves.
How do you protect T&E?

Mundt - Horse is out of barn - Diners, Discover.

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HEL: Visa not winning "friends" by being hard nosed.

JVT: Hasn't helped share problem.

VISA: Has just legislated that all local volume (intra-region) within the U.S. is assessable.
Decalization in ME/A

HEL: If we're clever - e.g., pricing - we can still achieve what we want to achieve. Not convinced yet that we need to pass a rule. Not yet sure of need to be unilaterally convinced. Could be convinced.

Issue Raised. . .

RNC: banks have raised in Venezuela - Visa been heavy handed in Venezuela - pissed banks off. .

where there is piss - there is opportunity.

(note in left margin: would vote -- let cloud go over Visa)

(note in left margin: let them get the wrath of Citi because of Diners. Don't need to be in front of this. Pour kerosene on this one. Please come PR. Let Visa be the one that gets the heat. Fun to be had).

RWS - must make it as hard as possible to have Amex do anything, anywhere in the world.
Do not want to make it easier in any way for Amex in the corner now with consumer.
All they have is corporate card. Trying anything - licensing, pricing, etc.

MCJ - To start thinking about this.

RWS - Possibly hear the guy who's doing this at Amex.