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802.65

Verne, B. Michael

From: [REDACTED]
Sent: Wednesday, May 09, 2007 2:35 PM
To: Verne, B. Michael
Subject: Passive Investor Issue -- HIGHLY CONFIDENTIAL

Mike,

I wanted to follow up with you regarding the passive investor issue that we discussed the other day.

As I indicated, at present, the global [REDACTED] enterprise consists of [REDACTED] Association (" [REDACTED] ") and its three regional group members: [REDACTED], each of which is its own ultimate parent entity. There are also three unincorporated regions, which are divisions of [REDACTED] (i) [REDACTED] (ii) [REDACTED] and (iii) [REDACTED] (the "Unincorporated Regions"). [REDACTED] members in the Unincorporated Regions are members of [REDACTED]

[REDACTED] intend to undertake a restructuring. The restructuring will take place in two stages. First, a newly formed entity, [REDACTED], will be established and incorporated in the United States. [REDACTED] will become subsidiaries of [REDACTED] through mergers with wholly-owned subsidiaries of [REDACTED] [REDACTED] will remain outside of [REDACTED] and will become a licensee of [REDACTED]. As part of the restructuring, [REDACTED] the members of [REDACTED] in the Unincorporated Regions, and the members of [REDACTED] (collectively, the "Acquiring Members") will acquire voting securities in [REDACTED]. The majority of the board of [REDACTED] will consist of independent directors. The first step in the restructuring constitutes an HSR-reportable consolidation under 16 C.F.R. § 801.2(d).

Following the restructuring, [REDACTED] intends to issue and sell shares to the public through an initial public offering ("IPO"). The timing of the IPO is subject to regulatory and market conditions, but it is currently anticipated that the IPO would take place within 6-9 months following the restructuring. It is the intention that post-IPO the Acquiring Members will own no more than 49% of the total share capital of Visa Inc. The remaining 51% of the total share capital will be held by the public at large. Post-IPO the shares held by the Acquiring Members will become non-voting (except for voting requirements with respect to extraordinary events such as exiting the core payments business or a change of control of [REDACTED]) and confer only economic rights.

You have indicated that the acquisition of the voting securities of [REDACTED] Inc. by the Acquiring Members are potentially subject to the notification and waiting period requirements of the HSR Act.[1]
[REDACTED] - There are in excess of 14,000 Acquiring Members, most of which are

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financial institutions. We anticipate that most of the Acquiring Members will be entitled to rely on the exemptions from the HSR Act set forth at 16 C.F.R. §§ 802.9 and 802.64. The issue has arisen as to whether the investment intent requirement, defined in 16 C.F.R. § 802.9, would be negated where an Acquiring Member: (i) controls a competitor that is not a competitor of [REDACTED] in the United States, but that competes at a national level in a country other than the United States; and (ii) will hold less than 0.5% of the voting securities of the [REDACTED] [2] [REDACTED]

I understand that the PNO has taken the position that being a competitor of the issuer creates a rebuttable presumption that the securities are not being held solely for the purposes of investment.[3] [REDACTED] In the present case, we believe that assuming the other indicia of investment-only intent are satisfied, that the presumption could be rebutted for the following reasons: (i) there is no impact on competition in the United States; (ii) the percentage of the voting securities held is de minimis (less than 0.5%); (iii) the proposed transaction results in Acquiring Members' losing (not acquiring) control over the [REDACTED] enterprise (e.g., following the restructuring the majority of the [REDACTED] board will be governed by independent directors and post-IPO, the Acquiring Members' shares will become non-voting (except for voting requirements with respect to extraordinary events such as exiting the core payments business and a change of control of [REDACTED])).

As always, I appreciate your guidance. If you need any additional information, please do not hesitate to contact me.

Regards,
[REDACTED]

AGREE -
SOLELY FOR PURPOSE
OF INVESTMENT IS
AVAILABLE.

M BAUNO, K BERG / K WALSH
CONCUR -

Burd

5/10/07

[1] [REDACTED] You have indicated that in the event an Acquiring Member concluded that it was required to file, no filing would be required by [REDACTED] as an acquired person, as the underlying transaction giving rise to the formation of [REDACTED] is a reportable consolidation.

[2] [REDACTED] It is possible that an Acquiring Member could value this percentage in excess of \$59.8 million.

[3] [REDACTED] Premerger Notification Practice Manual, 4th Ed., Int. #16.

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