

Memorandum

To: David Brooks
Una Somerville

From: Paul Allen

Re: Use of ACH

Date: 12/18/95

Sec. 7.1.E of the Operating Regulations (see below) permits monthly use of the ACH by an Issuer to access the funds on deposit maintained by an organization other than the Issuer. Bennett Katz says that Dan Clark wants to go to "twice a month;" Citibank at this point may or may not understand that Visa has committed to this change. Someone on the product side -- this is not a legal issue -- needs to call Dan to find out what he wants and why he wants it so someone can make a decision as to whether this change should be proposed.

7.1.E. An Issuer may not issue or reissue a Visa Classic that accesses a Cardholder's funds on deposit maintained by an organization other than such Issuer, without prior written agreement from the organization where the funds are deposited. Such written agreement is required in addition to current ACH notification requirements. Monthly periodic payments are excluded from this prohibition.

PA

GOVERNMENT
DEPOSITION
EXHIBIT
283

P-0723

Paul Allen

CONFIDENTIAL SUBJECT TO PROTECTIVE ORDER

VU 0343462