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**MasterCard**  
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October 29, 1997

Mr. Larry B. Kesler  
Executive Vice President  
Banco Popular de Puerto Rico  
Popular Center Building  
209 Muñoz Rivera Avenue, 3rd Floor  
Hato Rey, PR 00918

Dear Larry:

This is in response to your letter of August 29, 1997 in which you informed MasterCard International of the intent of Banco Popular de Puerto Rico (the "Bank") to participate in the card programs of American Express. As we had previously discussed, there are certain matters with respect to which MasterCard will require assurances from the Bank to the effect that the MasterCard business of the Bank will not be adversely affected by the Bank's participation in the competing program. Those matters are as follows:

- The competing program must be available to any and all MasterCard members in the region and the terms of participation must be similar for all members participating.
- The competing program shall not impair or restrict the ability of the Bank to issue or provide or otherwise participate in any product or service of MasterCard.
- All publicity, advertising, communications and promotional materials relating to the MasterCard program of the Bank must be kept completely separate from those of the competing program.
- The Bank will not conduct advertising or promotions that denigrate the MasterCard brand or that compare the MasterCard brand to any competing program.
- The Bank will comply with issuing and transaction volume objectives established by MasterCard regional management jointly with the Bank.

**GOVERNMENT  
DEPOSITION  
EXHIBIT  
920**

HIGHLY CONFIDENTIAL  
SUBJECT TO PROTECTIVE ORDER

**P-0145**

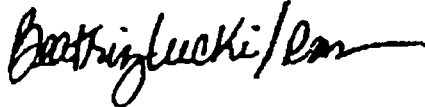
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- Quarterly assessments and fees for the Bank may be increased to establish a fund to be used for the strengthening of the MasterCard brand.
- The advertising and promotions of the Bank for the MasterCard brand will emphasize the worldwide acceptance characteristics of the MasterCard brand. The Bank will maintain a level of investment in the MasterCard brand as determined in advance by the Bank in conjunction with regional MasterCard management.

Larry, we would like to meet with you to discuss these items. Please call to let me know when would be a convenient time for you.

Sincerely,



cc: Richard N. Child, Malvina Camejo Longoria

UNION PACIFIC  
SUBJECT TO THE TERMS AND CONDITIONS