

**Meeting Between Federal Reserve Staff
and MasterCard and Edgar, Dunn & Company
November 16, 2010**

Participants: Samantha Ross Saperstein, Steve Jonas, and Shawn Miles (MasterCard); Peter Dunn and Douglas King (Edgar, Dunn & Company); Michael McEnaney and Ryan Rogers (Sidley Austin LLP)

David Mills, Mark Manuszak, Ky Tran-Trong, Jennifer Davidson, and Dena Milligan (Federal Reserve Board); Julia Cheney (Federal Reserve Bank of Philadelphia)

Summary: Representatives of MasterCard and Edgar, Dunn & Company met with Federal Reserve staff to discuss the interchange fee provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”). Edgar, Dunn & Company is a global financial services and payments consultancy.

As a follow-up to prior meetings with Federal Reserve staff, representatives of MasterCard discussed the challenges and risks associated with requiring issuers to issue debit cards capable of routing debit transactions over multiple signature-based networks. Representatives of MasterCard also provided an overview of the steps that may be required as a result of the Dodd-Frank Act to implement changes to the interchange fee structure and to address the exemptions in the Dodd-Frank Act.

Representatives of Edgar, Dunn & Company discussed the results, to date, of their ongoing study of costs a sample of MasterCard issuers incur in connection with debit transactions. This discussion included information on the development of the cost study, the types of costs included in the study, and summary results of the study.