

MASTERCARD INC

FORM 8-K (Current report filing)

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 29, 2009

MasterCard Incorporated

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction
of incorporation)*

001-32877
(Commission File Number)

13-4172551
*(IRS Employer
Identification No.)*

**2000 Purchase Street
Purchase, New York**
(Address of principal executive offices)

10577
(Zip Code)

(914) 249-2000
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 29, 2009, MasterCard International Incorporated (the “Company”), the principal operating subsidiary of MasterCard Incorporated (the “Registrant”), adopted the MasterCard International Incorporated Executive Severance Plan (the “Executive Severance Plan”) and the MasterCard International Incorporated Change in Control Severance Plan (the “CIC Plan”), each effective as of August 1, 2009. Individuals eligible to participate under both the Executive Severance Plan and the CIC Plan include, among others, named executive officers who do not otherwise have a written employment agreement.

Executive Severance Plan

Eligible Members.

The Executive Severance Plan provides for accrued payments and, in certain circumstances, severance payments (as described below) to be paid upon termination to members of the Company’s Executive Committee who do not have a written employment agreement with the Company and who are designated in writing by the Company’s Chief Executive Officer (each an “Eligible Member”). Eligible Members are not eligible to participate in, and receive any severance benefits under, the MasterCard International Incorporated Severance Plan (the “Severance Plan”).

Accrued Payments .

Death. In the event of an Eligible Member’s death, his or her estate and/or beneficiaries are entitled to a lump sum payment within 30 days following the date of termination of: (1) base salary earned but not paid through the date of the Eligible Member’s death; (2) payment for all accrued but unused vacation time; (3) the target annual incentive bonus payable for the year in which death occurs, and the prior year if not already paid; and (4) such additional benefits, if any, the executive may be entitled to under the Company’s plans and programs on account of death.

Disability. In the event of an Eligible Member’s termination of employment on account of disability, the Eligible Member will be entitled to receive the same payments as noted above in the event of his or her death, except that the Eligible Member’s target annual incentive bonus will be pro-rated for the year of his or her termination.

Mandatory Retirement. In the event an Eligible Member’s employment ends upon mandatory retirement (i.e., the last day of the calendar year in which he or she attains the age of sixty-five), he or she will be entitled to receive the same payments as noted above in the event of his or her death, except that the Eligible Member’s target annual incentive bonus will be pro-rated for the year in which his or her termination occurs, based upon the actual performance of the Company for the applicable performance period (and taking into account the terms of the annual incentive plan, including but not limited to the discretion of the Compensation Committee to reduce the bonus amount).

For Cause or Voluntary Resignation. If the Company terminates the Eligible Member’s employment for “Cause” (as defined in the Executive Severance Plan and described below under “Definitions”) or the Eligible Member voluntarily resigns, he or she will be entitled to, within 30 days of the date of termination: (1) a payment with respect to base salary earned but not paid through the date of his termination, (2) payment for all accrued but unused vacation time and (3) additional benefits, if any, that the Eligible Member would be entitled to under the Company’s plans and programs on account of termination for Cause or his or her voluntary resignation.

Without Cause or With Good Reason. In the event of the Eligible Member's termination by the Company without Cause or by the Eligible Member with "Good Reason" (as defined in the Executive Severance Plan and described below under "Definitions"), he or she will be entitled to (in addition to any "Severance Payments" described below): (1) a lump sum within 30 days following the date of termination of all base salary earned but not paid prior to the date of termination; (2) a lump sum within 30 days following the date of termination equal to all accrued but unused vacation time; (3) a pro-rata portion of the annual incentive bonus payable for the year in which his or her termination occurs and the prior year, if not already paid, based upon the actual performance of the Company for the applicable performance period as determined by the Compensation Committee and payable in accordance with the regular bonus pay practices of the Company.

Severance Payments.

In addition to any payments described above, in the event of an Eligible Member's termination either by the Company without Cause or by the Eligible Member for Good Reason, and in each case unless otherwise disqualified as described below, an Eligible Member will be entitled to:

- (1) base salary continuation for 18 months (and, in the Company's sole discretion, up to an additional 6 months) following the date of termination;
- (2) annual bonus payments following the date of termination in an aggregate amount equal to 1.5 times (and, in the Company's sole discretion, up to 2 times) the annual incentive bonus paid to the Eligible Member for the year prior to the year during which termination occurs, payable ratably over an 18-month period (or longer, if applicable, as described above) in accordance with the annual incentive bonus pay practices of the Company;
- (3) payment of the monthly cost of the premium for COBRA medical coverage for the applicable COBRA period (or 18 months if shorter), or if he or she is eligible for the MasterCard Retiree Health Plan, the full cost of the retiree health coverage for 18 months, and thereafter the retiree contribution levels shall apply;
- (4) reasonable outplacement services for the shorter of 18 months or the period of unemployment; and
- (5) such additional benefits, if any, that the executive would be entitled to under the Company's plans and programs for the above captioned events of termination (other than any severance payments payable under the terms of any benefit plan, including, but not limited to, the Severance Plan).

The Company's obligation to make the severance payments described in bullets 1 through 4 above is conditioned upon the Eligible Member's execution of a separation agreement and release, within 60 days following the date of termination, of all claims to the Eligible Member's employment or the termination of such employment. Such an agreement would include non-competition and non-solicitation restrictions for an 18-month period (or the length of the severance payments, if longer, as described above).

The Executive Severance Plan provides that Eligible Members are only entitled to receive severance payments in the events described above, and would not be entitled to receive such severance payments in the event of termination of employment with the Company due to (1) death, (2) disability, (3) voluntary resignation for any reason other than for Good Reason, (4) termination for Cause or (5) mandatory retirement, or in the event that the Eligible Member fails to give notice of termination for Good Reason within 60 days of the events constituting Good Reason.

Modification or Termination .

The Executive Severance Plan may be amended, modified or terminated by the Human Resources and Compensation Committee of the Registrant (the “Compensation Committee”) at any time at the Company’s sole discretion.

CIC Plan

Eligible Employees.

The CIC Plan provides change in control severance payments and benefits to all employees of the Company who: (1) do not have an employment agreement with the Company and (2) have been selected in writing prior to a “Change-in-Control” (as defined in the MasterCard Incorporated 2006 Long-Term Incentive Plan, as it may be amended from time to time (the “2006 Long-Term Incentive Plan”), and described below) by the Company’s Chief Executive Officer or by the Compensation Committee, in their respective sole and absolute discretion, as being eligible to participate. Any such selection by the Chief Executive Officer must be made at least 6 months preceding a Change-in-Control.

CIC Payments.

In the event that, within 6 months preceding or 2 years following a Change-in-Control, an Eligible Employee either: (1) is terminated by the Company or the Company’s successor without “Cause” (as defined in the CIC Plan and described below) or (2) terminates his or her employment with the Company or the Company’s successor for “Good Reason” (as defined in the CIC Plan and described below), and in each case unless otherwise ineligible as described below, an Eligible Employee will be entitled to:

- (1) a lump sum within 30 days following the date of termination of all base salary earned but not paid prior to the date of termination;
- (2) a lump sum within 30 days following the date of termination equal to all accrued but unused vacation time;
- (3) a pro-rata portion of the annual incentive bonus payable for the year in which his or her termination occurs and the prior year, if not already paid, based upon the actual performance of the Company for the applicable performance period as determined by the Compensation Committee and payable in accordance with the regular bonus pay practices of the Company;
- (4) base salary continuation for 24 months following the date of termination;
- (5) annual bonus payments following the date of termination with the aggregate bonus amount for each Eligible Employee equivalent to the average annual bonus received by the Eligible Employee with respect to the prior two years of employment, payable ratably over a 24-month period in accordance with the regular payroll practices and annual incentive bonus pay practices of the Company;
- (6) payment of the monthly cost of the premium for COBRA medical coverage for the applicable COBRA period (or 24 months if shorter), or if he or she is eligible for the MasterCard Retiree Health Plan, the full cost of the retiree health coverage for 24 months and thereafter the retiree contribution levels shall apply;
- (7) reasonable outplacement services for the shorter of 24 months or the period of unemployment; and
- (8) such additional benefits, if any that the executive would be entitled to under the Company’s plans and programs for the above captioned events of termination (other than any severance payments payable under the terms of any benefit plan, including, but not limited to, the Severance Plan).

The Company's obligation to make the Change-in-Control payments described above in bullets 4 through 7 is conditioned upon the Eligible Employee's execution of a separation agreement and release, within 60 days following the date of termination, of all claims to the Eligible Member's employment or the termination of such employment, which would include a 2-year non-competition restriction and a 2-year non-solicitation restriction.

The CIC Plan provides that Eligible Employees are only entitled to receive Change-in-Control payments in the events described above, and would not be entitled to receive such payments in the event of termination of employment with the Company or the Company's successor due to: (1) death, (2) disability, (3) voluntary resignation for any reason other than for Good Reason, (4) termination for Cause at any time preceding or following a Change-in-Control or (5) mandatory retirement, or in the event that the Eligible Employee fails to give notice of termination for Good Reason within 60 days of the events constituting Good Reason. The CIC Plan expressly provides that a Change-in-Control alone, without a related termination of employment, will in no event give rise to any Change-in-Control payments or benefits under the CIC Plan.

Modification or Termination.

The CIC Plan may be amended, modified or terminated by the Compensation Committee at any time at the Company's sole discretion, except that for a two-year period following a Change of Control, no amendment, modification or termination of the CIC Plan may be effected which may have a detrimental effect on the rights or benefits payable to an Eligible Employee without his or her written consent.

Certain Definitions in Executive Severance Plan or CIC Plan

Each of the Executive Severance Plan and the CIC Plan defines "Cause" to generally mean: (a) the willful failure by the Eligible Member or Eligible Employee, as applicable, to perform his or her duties or responsibilities (other than due to disability); (b) engaging in serious misconduct that is injurious to the Company including, but not limited to, damage to its reputation or standing in its industry; (c) having been convicted of, or entered a plea of guilty or nolo contendere to, a crime that constitutes a felony or a crime that constitutes a misdemeanor involving moral turpitude; (d) the material breach of any written covenant or agreement with the Company not to disclose any information pertaining to the Company; or (e) the breach of the Company's code of conduct, the supplemental code of conduct or any material provision of specified Company policies.

"Change-in-Control" for purposes of the CIC Plan has the meaning as set forth in the 2006 Long-Term Incentive Plan. Accordingly, it generally means the occurrence of any of the following events (other than by means of a public offering of the Registrant's equity securities):

- (a) The acquisition by any person of beneficial ownership of more than 30 percent of the voting power of the then outstanding equity securities of the Registrant (the "Outstanding Registrant Voting Securities"), subject to certain exceptions; or
- (b) A change in the composition of the board of directors of the Registrant that causes less than a majority of the directors of the Registrant then in office to be members of the board, subject to certain exceptions; or
- (c) Consummation of a reorganization, merger, or consolidation or sale or other disposition of all or substantially all of the assets of the Registrant or the purchase of assets or

stock of another entity (a “Business Combination”), in each case, unless immediately following such Business Combination, (i) all or substantially all of the persons who were the beneficial owners of the Outstanding Registrant Voting Securities immediately prior to such Business Combination will beneficially own more than 50 percent of the then outstanding voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the entity resulting from such Business Combination in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Registrant Voting Securities, (ii) no person will beneficially own more than a majority of the voting power of the then outstanding voting securities of such entity except to the extent that such ownership of the Registrant existed prior to the Business Combination, and (iii) at least a majority of the members of the board of directors of the entity resulting from such Business Combination will have been members of the incumbent board of the Registrant at the time of the initial agreement, or action of the board of the Registrant, providing for such Business Combination; or

(d) Approval by the stockholders of the Registrant of a complete liquidation or dissolution of the Registrant.

“Good Reason” for the purpose of each of the Executive Severance Plan and the CIC Plan generally means: (a) the assignment to a position for which the plan participant is not qualified or a materially lesser position than the position held by the plan participant; (b) a material reduction in the plan participant’s annual base salary other than a 10 percent or less reduction, in the aggregate, over the term of employment; or (c) the relocation of the plan participant’s principal place of employment by more than 50 miles.

Section 409A and ERISA

Each of the Executive Severance Plan and CIC Plan is intended to comply with the requirements of Section 409A of the Internal Revenue Code, and therefore each contains provisions that could, among other things, affect the amounts and timing of payments described above. Additionally, each of the Executive Severance Plan and CIC Plan is intended to comply with the requirements of the Employee Retirement Income Security Act.

The foregoing description of the Executive Severance Plan and the CIC Plan does not purport to be a complete description and is qualified in its entirety by reference to the full text of each of the Executive Severance Plan and the CIC Plan, which are filed as Exhibits 10.1 and 10.2 hereto, respectively, and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit Number	Exhibit Description
10.1	MasterCard International Incorporated Executive Severance Plan, effective as of August 1, 2009.
10.2	MasterCard International Incorporated Change in Control Severance Plan, effective as of August 1, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MASTERCARD INCORPORATED

Date: July 31, 2009

By /s/ Noah J. Hanft

Noah J. Hanft

*General Counsel, Chief Payment System Integrity &
Compliance Officer and Corporate Secretary*

EXHIBIT INDEX

Exhibit Number	Exhibit Description
10.1	MasterCard International Incorporated Executive Severance Plan, effective as of August 1, 2009.
10.2	MasterCard International Incorporated Change in Control Severance Plan, effective as of August 1, 2009.

MasterCard International Incorporated Executive Severance Plan

The MasterCard International Incorporated Executive Severance Plan (the “Plan”) sets forth the guidelines for MasterCard International Incorporated (“MasterCard” or the “Company”) with respect to severance payments and/or benefits to certain of its employees who meet the eligibility requirements set forth in the Plan. At all times, payments under the Plan shall be made solely from the general assets of the Company.

Effective Date

The Plan is effective as of August 1, 2009.

Eligibility

Members of the Executive Committee of MasterCard or a successor group, who do not have a written employment agreement with the Company and who are designated in writing by the Chief Executive Officer (“CEO”) of MasterCard shall be eligible to participate in the Plan (“Eligible Members”). Eligible Members shall not be eligible to participate in, and receive any severance benefits under, the MasterCard Incorporated Severance Plan.

Qualification

An Eligible Member will be entitled to receive “Severance Payments” (as defined below) if:

- a. the Eligible Member is terminated by the Company without “Cause” (as such term is defined in the “Definitions” section); or
- b. the Eligible Member terminates his or her employment with the Company for “Good Reason” (as such term is defined in the “Definitions” section);
 - the Eligible Member’s employment may be terminated at the option of the Eligible Member, effective ninety (90) days after the giving of written notice to the Company by such Eligible Member of the grounds for termination for Good Reason, which grounds, as specified by the Eligible Member, have not been cured by the Company during such ninety (90) day period; provided, however, that such Eligible Member gave notice to the Company of the event(s) constituting Good Reason within sixty (60) days after such event(s).
 - the Company may waive all or part of the ninety (90) day notice required to be given by the Eligible Member hereunder by giving written notice to such Eligible Member.

Disqualifying Events

Notwithstanding the foregoing, an Eligible Member shall not be entitled to receive Severance Payments if any of the following disqualifying events occur; provided, however, that such Eligible Member shall nevertheless be eligible to receive certain accrued payments (as described below).

- a. the Eligible Member's employment is terminated due to death or, at the option of the Company, upon the "Disability" (as such term is defined in the "Definitions" section) of the Eligible Member;
- b. the Eligible Member elects to voluntarily terminate his or her employment with the Company or a successor for any reason other than for Good Reason ("Voluntary Resignation");
- c. the Eligible Member's employment with the Company is terminated for Cause;
 - the Eligible Member's employment may be terminated for Cause by the Company, effective upon the giving of written notice by the Company to the Eligible Member of such termination for Cause, or effective upon such other date as specified therein ("Notice of Termination for Cause"). The Company's Notice of Termination For Cause shall state the date of termination and the basis for the Company's determination that the Eligible Member's actions establish Cause hereunder.
 - if within sixty (60) days subsequent to the termination of the Eligible Member's employment for death, Disability, Good Reason or Voluntary Resignation or otherwise, the Company determines that the Eligible Member could have been terminated for Cause, such voluntary termination shall be recharacterized as a termination for Cause, upon the giving of written notice to the Eligible Member and the Eligible Member is provided at least five (5) days to provide a written response to the Company. Thereafter, the Company may take appropriate legal action to seek recompense for any Severance Payments improperly paid to the Eligible Member, his estate or beneficiaries hereunder. Following a judicial determination, the prevailing party in any action under this paragraph, shall be entitled to be reimbursed by the non-prevailing party for reasonable legal fees and expenses incurred by the prevailing party in connection with the judicial proceeding seeking to enforce the provisions of this paragraph.
 - notwithstanding anything to the contrary herein, if the Company has reason to believe that there are circumstances which, if substantiated, would constitute Cause as defined herein, the Company may suspend the Eligible Member from employment immediately upon notice for such period of time as shall be reasonably necessary for the Company to ascertain whether such circumstances are substantiated. During such suspension, the Eligible Member shall continue to be paid the compensation and provided all benefits in accordance with the regular payroll and benefit practices of the Company; provided, however, that if the Eligible Member has been indicted or otherwise formally charged by governmental authorities with any felony, the Company may, in its sole discretion, and without limiting the Company's discretion to terminate the Eligible Member's employment for Cause (provided it has grounds to do so under the terms of this "Disqualifying Events" section, paragraph (c), suspend the Eligible Member without continuation of any compensation or benefits (except health benefits, which shall be continued during the period of suspension), pending final disposition of such criminal charge(s). Upon receiving notice of any such suspension, the Eligible Member shall promptly leave the premises of the Company and remain off such premises until further notice from the Company. In the event the Eligible Member is suspended as a result of such charges, but is later acquitted or otherwise exonerated from such charges, the Company shall pay to the Eligible Member such compensation, with interest, calculated from the date such compensation was suspended at the prime lending rate in effect on the date the Company receives notice from the Eligible Member of such acquittal or exoneration, and provide benefits withheld from the Eligible Member during the period of the Eligible Member's

suspension, if any, all of which shall be paid and provided within thirty (30) days of the date of the Eligible Member's acquittal or exoneration from criminal charges that resulted in his suspension shall be limited with respect to the period of up to two (2) years from the date of suspension;

- d. the failure by the Eligible Member to give a timely notice of termination for Good Reason (as described above); or
- e. the Eligible Member is subject to the Company's Mandatory Retirement policy and retires thereunder.

Amount and Duration of Severance

a. Accrued Payments

An Eligible Member shall be entitled to the following accrued payments following the Date of Termination (as such term is defined in the "Definitions" section) regardless of whether the Eligible Member has been rendered ineligible for receipt of the Severance Payments due to a disqualifying event (as described above):

Death, Disability or Mandatory Retirement

If the Eligible Member's employment is terminated on account of his or her death, due to Disability, or upon Mandatory Retirement, the Eligible Member or his or her estate and/or beneficiaries, as applicable, shall be entitled to receive the following lump sum payment (subject to any previously elected deferrals under the MasterCard Incorporated Deferral Plan), within thirty (30) days following the Date of Termination:

- "Base Salary" (as such term is defined in the "Definitions" section) earned but not paid prior to the Date of Termination;
- payment for all accrued but unused vacation time up to the Date of Termination;
- (x) in the event of the Eligible Member's death, the target annual incentive bonus payable for the year in which the Eligible Member's death occurs, (y) in the event of termination due to Disability, a pro rata portion (based upon completed calendar months worked prior to the date of Disability) of the target annual incentive bonus payable for the year in which the Eligible Member's Date of Termination occurs, or (z) in the event of Mandatory Retirement, a pro rata portion (based upon actually completed calendar months worked) of the annual incentive bonus payable for the year in which the Eligible Member's termination of employment occurs based upon the actual performance of the Company for the applicable performance period (and taking into account the terms of the annual incentive plan, including but not limited to the discretion of the Compensation Committee to reduce such bonus amount) as contemplated in accordance with the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), with such amount payable when the annual incentive bonus is regularly paid to similarly employees for such year;
- to the extent not already paid, the annual incentive bonus for the year immediately preceding the year in which the Eligible Member's Date of Termination, with such amount payable when the annual incentive bonus is regularly paid to similarly employees for such year; and

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- such additional benefits, if any, to which the Eligible Member is expressly eligible following the termination of the Eligible Member's employment on account of death, Disability or Mandatory Retirement, as applicable, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company.

Cause or Voluntary Resignation

If the Company terminates the Eligible Member's employment for Cause or the Eligible Member terminates his or her employment by Voluntary Resignation, the Eligible Member shall be entitled to receive the following lump sum payment, as soon as practicable, but in no event later than thirty (30) days following the Date of Termination:

- Base Salary earned but not paid prior to the Date of Termination;
- payment for all accrued but unused vacation time up to the Date of Termination; and
- additional benefits, if any, to which the Eligible Member is expressly eligible following his termination for Cause or by Voluntary Resignation, as applicable, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company.

Without Cause or For Good Reason

If the Company terminates the Eligible Member's employment without Cause or the Eligible Member terminates his or her employment for Good Reason, the Eligible Member shall be entitled to the following payments following the Date of Termination:

- a lump sum payment (subject to any previously elected deferrals under the MasterCard Incorporated Deferral Plan), within thirty (30) days following the Date of Termination of all Base Salary earned but not paid prior to the Date of Termination;
- a lump sum payment within thirty (30) days following the Date of Termination equal to all accrued but unused vacation time up to the Date of Termination;
- a pro rata portion (based upon actually completed calendar months worked) of the annual incentive bonus payable for the year in which the Eligible Member's Date of Termination occurs based on the actual performance of the Company for the applicable performance period as determined by the Compensation Committee and payable in accordance with the regular bonus pay practices of the Company, as contemplated in accordance with the requirements of Section 162(m) of the Code; and
- to the extent not already paid, the annual incentive bonus for the year immediately preceding the year in which the Eligible Member's Date of Termination occurs, payable in the amount and at the time such bonus would have been paid had the Eligible Member remained employed.

b. Severance Payments

If the Eligible Member is entitled to receive severance payments and/or benefits as provided under the “Qualification” section, and has not been rendered ineligible for receipt of such severance payments and/or benefits due to a disqualifying event (as described above), the Eligible Member shall be entitled to the following payments (the “Severance Payments”):

1. Severance Pay

The Eligible Member shall be entitled to receive (i) Base Salary continuation for an eighteen (18) month period following the Eligible Member’s Date of Termination (the “Severance Pay Period”), and (ii) payment (subject to any previously elected deferrals under the MasterCard Incorporated Deferral Plan), of an amount equal to 1.5 times the annual incentive bonus paid to such Eligible Member for the year prior to the year in which the Eligible Member’s Date of Termination occurs (the “Bonus Payment”) payable ratably over the Severance Pay Period in accordance with the annual incentive bonus pay practices of the Company; (such Base Salary continuation and Bonus Payment being collectively referred to herein as “Severance Pay”)

2. Medical Benefits Continuation

The Eligible Member shall be entitled to payment by the Company on the Eligible Member’s behalf, for the monthly cost of the premiums for coverage under the Consolidated Omnibus Reconciliation Act of 1985, as amended (“COBRA”), for a period equivalent to the eighteen (18) month COBRA period (twenty-nine (29) month period, if the Eligible Member is disabled under the Social Security Act within the first sixty (60) days of the continuation period) or the Severance Pay Period, whichever is shorter (the “Medical Benefits”), provided, however, such coverage shall not be provided if during such period the Eligible Member is or becomes ineligible under the provisions of COBRA for continuing coverage; and provided, further, that if the Eligible Member is eligible for Retiree Health Coverage under the MasterCard Retiree Health Plan, the Company shall pay the full cost of such Retiree Health or COBRA coverage, as applicable, during the Severance Pay Period and thereafter, retiree contribution levels provided under the provisions of the Retiree Health Plan shall apply.

3. Outplacement Services

The Eligible Member shall be entitled to reasonable outplacement services, to be provided by a firm selected by the Company, at a level generally made available to executives of the Company for the shorter of the Severance Pay Period or the period he or she remains unemployed.

4. Additional Payments

The Company reserves the right, in its sole discretion, to increase severance payments for up to an additional six months for Eligible Members. Additional payments may be conditioned upon any additional criteria as the Company may determine in its sole discretion.

The Eligible Member shall be entitled to such other benefits, if any, to which such Eligible Member is expressly eligible following the termination of the Eligible Member’s employment by the Company without Cause, by the Eligible Member with Good Reason, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company (other than any severance payments payable under the terms of any benefit plan, including, but not limited to, the MasterCard International Incorporated Severance Plan).

5. Separation Agreement and Release

The Company’s obligations to make payments and provide benefits under this “Severance Payments” section, paragraphs (1)-(3), are conditioned upon the Eligible Member’s execution (without revocation) of the Company’s separation agreement and release of all claims related to the Eligible Member’s employment or the termination thereof in a form satisfactory to MasterCard (the “Separation Agreement

and Release”), which Separation Agreement and Release shall include a non-competition restriction and a non-solicitation restriction for a period no less than the Severance Pay Period (taking into account any additional payment periods pursuant to Section 4 above), as more fully described in such Separation Agreement and Release, provided that if the Eligible Member should fail to execute such Separation Agreement and Release within sixty (60) days following the Date of Termination, the Company shall not have any obligation to make the payments and provide the benefits contemplated under this “Severance Payments” section, paragraphs (1)-(3).

Income Taxes

Accrued payments and Severance Payments are subject to all applicable federal, state, and local tax withholding and generally are taxable income to the Eligible Member.

Section 409A of the Code

Notwithstanding any other provision of the Plan, if any payment, compensation or other benefit provided to the Eligible Member in connection with his or her employment termination is determined, in whole or in part, to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code and the Eligible Member is a specified employee as defined in Section 409A(a)(2)(b)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the Date of Termination (such date, the “New Payment Date”). The aggregate of any payments that otherwise would have been paid to the Eligible Member during the period between the Date of Termination and the New Payment Date shall be paid to the Eligible Member in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of the Plan. If the Eligible Member dies during the period between the Date of Termination and the New Payment Date, the amounts withheld on account of Section 409A of the Code shall be paid to the Eligible Member’s beneficiary within thirty (30) days of the Eligible Member’s death.

Notwithstanding the preceding paragraph, up to two (2) times the lesser of: (i) the Eligible Employee’s Base Salary for the year preceding the year in which the Date of Termination occurs; and (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Date of Termination occurs, shall be paid in accordance with the schedule set forth in the “Severance Payments” section, paragraph (1), without regard to such six (6) month delay.

The Plan is intended to comply with the requirements of Section 409A of the Code, and, specifically, with the separation pay exemption and short term deferral exemption of Section 409A of the Code, and shall in all respects be administered in accordance with Section 409A of the Code. Notwithstanding anything in the Plan to the contrary, distributions may only be made under the Plan upon an event and in a manner permitted by Section 409A of the Code or an applicable exemption. All payments to be made upon a termination of employment under the Plan may only be made upon a “separation from service” under Section 409A of the Code. For purposes of Section 409A of the Code, the right to a series of installment payments under the Plan shall be treated as a right to a series of separate payments. In no event may the Eligible Member, directly or indirectly, designate the calendar year of a payment. All reimbursements and in-kind benefits provided under the Plan shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement shall be for expenses incurred during the Eligible Member’s lifetime (or during a shorter period of time specified in the Plan), (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense

will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Administration of Plan

The “Plan Administrator” (as such term is defined in the “Definitions” section) shall have the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply, and interpret the Plan and to decide all matters arising in connection with the operation or administration of the Plan to the extent not retained by MasterCard as set forth herein. Without limiting the generality of the foregoing, the Plan Administrator shall have the sole and absolute discretionary authority to:

- take all actions and make all decisions with respect to the eligibility for, and the amount of, severance and benefits payable under the Plan;
- formulate, interpret and apply rules, regulations, and policies necessary to administer the Plan in accordance with its terms;
- decide questions, including legal or factual questions, with regard to any matter related to the Plan;
- construe and interpret the terms and provisions of the Plan and all documents which relate to the Plan and decide any and all matters arising thereunder including the right to remedy possible ambiguities, inconsistencies or omissions;
- investigate and make such factual or other determinations as shall be necessary or advisable for the resolution of appeals of adverse determinations under the Plan; and
- process, and approve or deny, claims for severance and benefits under the Plan.

All determinations made by the Plan Administrator as to any question involving their respective responsibilities, powers and duties under the Plan shall be final and binding on all parties, to the maximum extent permitted by law. All determinations by MasterCard referred to in the Plan shall be made by MasterCard in its capacity as an employer and settlor of the Plan.

Modification or Termination of Plan

MasterCard reserves the right in its sole and absolute discretion, to amend, modify, or terminate the Plan, in whole or in part, including any or all of the provisions of the Plan, for any reason, at any time, by action of the Plan Administrator. Any amendments to the Plan must be approved in writing by the Human Resource Compensation Committee of MasterCard.

Claims and Appeal Procedures

The Plan Administrator shall make a determination in connection with the termination of employment of any Eligible Member as to whether a benefit under the Plan is payable to such Eligible Member, taking into consideration any determination made by the Company as to the circumstances regarding the termination, the Company’s decision as to whether or not to pay a benefit under the “Qualification” section, the “Disqualifying Events” section, or the potential applicability of a disqualifying event, and as to the amount of payment. The Plan Administrator shall advise any Eligible Member it determines is entitled to severance and benefits under the Plan and the amount of such severance and benefits. The Plan Administrator may delegate any or all of its responsibilities under this section.

Claim Procedures

Each Eligible Member or his or her authorized representative (each, the “Claimant”) claiming severance and benefits under the Plan who has not been advised of such severance and benefits by the Plan Administrator or who is not satisfied with the amount of any severance and benefits awarded under the Plan is eligible to file a written claim with the Plan Administrator.

Within ninety (90) days after receiving the claim, the Plan Administrator will decide whether or not to approve the claim. The ninety (90)-day period may be extended by the Plan Administrator for an additional ninety (90)-day period if special circumstances require an extension of time to consider the claim. If the Plan Administrator extends the ninety (90)-day period, the Claimant will be notified in writing before the expiration of the initial 90-day period as to the length of the extension and the special circumstances that necessitate the extension.

If the claim is denied, the Plan Administrator shall set forth in writing or electronically the reasons for the denial; the relevant provisions of the Plan on which the decision is made; a description of the Plan’s claim appeal procedures; and if additional material or information is necessary to perfect the claim, an explanation of why such material or information is necessary. The notice will also include a statement regarding the procedures for the Claimant to file a request for review of the claim denial as set forth in the “Appeal Procedures” section and the Claimant’s right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) following a claim denial on appeal.

Appeal Procedures

If a claim has been denied by the Plan Administrator and the Claimant wishes further consideration and review of his or her claim, he or she must file an appeal of the denial of the claim to the Plan Administrator no later than sixty (60) days after the receipt of the written notification of the Plan Administrator’s denial. In correlation with his or her appeal, the Claimant may request the opportunity to review relevant documents prior to submission of a written statement, submit documents, records and comments in writing, and receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the Claimant’s claim for severance and benefits under the Plan. The review of the appeal by the Plan Administrator will take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial review of the claim.

The Plan Administrator will notify the Claimant in writing or electronically of its decision with respect to its review of the appeal within sixty (60) days of the receipt of the request for a review of the claim. Due to special circumstances, the Plan Administrator may extend the time to reach a decision with respect to the appeal of the claim denial, in which case the Plan Administrator will notify the Claimant in writing before the expiration of the initial 60-day period as to the length of the extension and the special circumstances that necessitate such extension and render a decision as soon as possible, but not later than one hundred twenty (120) days following the receipt of the Claimant’s request for appeal.

If the appeal is denied, the Plan Administrator will set forth in writing or electronically the specific reasons for the denial and references to the relevant Plan provisions on which the determination of the denial is based. The notice will also include a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim, and a statement of the Claimant’s right to bring an action under Section 502(a) of ERISA.

Exhaustion of Remedies under the Plan

A Claimant wishing to seek judicial review of an adverse benefit determination under the Plan, whether in whole or in part, must file any suit or legal action, including, without limitation, a civil action under Section 502(a) of ERISA, within one (1) year of the date the final decision on the adverse benefit determination on review is issued or should have been issued or lose any rights to bring such an action. If any such judicial proceeding is undertaken, the evidence presented shall be strictly limited to the evidence timely presented to the Plan Administrator. A Claimant may bring an action under ERISA only after he or she has exhausted the Plan’s claims and appeal procedures.

Miscellaneous Provisions

- Neither the establishment of this Plan, nor any modification thereof, nor the payment of any severance and benefits hereunder, shall be construed as giving to any Eligible Member, or other person, any legal or equitable right against the Company or any current or former officer, director, or employee thereof, and in no event shall the terms and conditions of employment by the Company of any Eligible Member be modified or in any way affected by this Plan.
- The records of the Company with respect to employment history, compensation, absences, illnesses, and all other relevant matters shall be conclusive for all purposes of this Plan.
- The respective terms and provisions of the Plan shall be construed, whenever possible, to be in conformity with the requirements of ERISA, or any subsequent laws or amendments thereto. To the extent not to conflict with the preceding sentence, the construction and administration of the Plan shall be in accordance with the laws of the state of New York applicable to contracts made and to be performed within the state of New York (without reference to its conflicts of law provisions).
- Nothing contained in this Plan shall be held or construed to create any liability upon the Company to retain any employee in its service or to change the employee-at-will status of any employee. All employees shall remain subject to discharge or discipline to the same extent as if the Plan had not been put into effect. An employee’s failure to qualify for or receive a severance and benefits hereunder shall not establish any right to (i) continuation or reinstatement, or (ii) any benefits in lieu of severance and benefits.

Definitions

Terms	Definitions
Base Salary	The Eligible Member’s annual base salary as in effect from time to time.
Cause	<ul style="list-style-type: none">• the willful failure by the Eligible Member to perform his or her duties or responsibilities (other than due to Disability);• the Eligible Member’s engaging in serious misconduct that is injurious to the Company including, but not limited to, damage to its reputation or standing in its industry;• the Eligible Member’s having been convicted of, or entered a plea of guilty or nolo contendere to, a crime that constitutes a felony, or a crime that constitutes a misdemeanor involving moral turpitude;• the material breach by the Eligible Member of any written covenant or agreement with the Company not to disclose any information pertaining to the Company; or• the breach by the Eligible Member of the Code of Conduct, the Supplemental Code of Conduct, any material provision of the Plan, or any material provision of the

following the Company policies: non-discrimination, substance abuse, workplace violence, nepotism, travel and entertainment, corporation information security, antitrust/competition law, enterprise risk management, accounting, contracts, purchasing, communications, investor relations, immigration, privacy, insider trading, financial process and reporting procedures, financial approval authority, whistleblower, anti-corruption and other similar the Company policies, whether currently in effect or adopted after the Effective Date of the Plan.

Company	MasterCard International Incorporated.
Disability	<p>Disability shall be defined as set forth under the MasterCard Long-Term Disability Benefits Plan, as it may be amended from time to time.</p> <p>Any dispute concerning whether the Eligible Member is deemed to have suffered a Disability for purposes of the Plan shall be resolved in accordance with the dispute resolution procedures set forth in the MasterCard Long-Term Disability Benefits Plan.</p>
Good Reason	<p>The occurrence of any of the following without the prior written consent of the Eligible Member:</p> <ul style="list-style-type: none">• the assignment to a position for which the Eligible Member is not qualified or a materially lesser position than the position held by the Eligible Member (although duties may differ without giving rise to a termination by the Eligible Member for Good Reason);• a material reduction in the Eligible Member's annual Base Salary except that a 10 percent reduction, in the aggregate, over the period of the Eligible Member's employment shall not be treated as a material reduction;• the relocation of the Eligible Member's principal place of employment to a location more than fifty (50) miles from the Eligible Member's principal place of employment (unless such relocation does not increase the Eligible Member's commute by more than twenty (20) miles), except for required travel on the Company's business to an extent substantially consistent with the Eligible Member's business travel obligations as of the date of relocation.
MasterCard	MasterCard International Incorporated.
Plan Administrator	Group Head Global Rewards of MasterCard.
Date of Termination	The date on which the Eligible Member incurs a termination of employment as described in the "Qualification" section or such other date on which an Eligible Member incurs a "separation from service" determined using the default provisions set forth in Section 1.409A-1(h) of the Treasury Regulations. Pursuant to such default provisions, an Eligible Member will be treated as no longer performing services for the Company when the level of services he or she performs for the Company decreases to a level equal to 20% or less of the average level of services performed by such Eligible Member during the immediately preceding 36 months.

Your Rights Under ERISA

The Department of Labor has issued regulations that require the Company to provide you with a statement of your rights under ERISA with respect to this Plan. The following statement was designated by the Department of Labor to satisfy this requirement and is presented accordingly.

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants are entitled to:

Receive Information About Your Plan and Benefits

1. Examine, without charge, all Plan documents and copies of all documents filed by the Company with the Department of Labor. This includes annual reports and Plan descriptions. All such documents are available for review in your Human Resources Department.
2. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may charge you a reasonable fee for the copies.
3. Receive a summary of the Plan's annual financial report. Once each year, the Plan Administrator will send you a Summary Annual Report of the Plan's financial activities at no charge.

Prudent Action by Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called fiduciaries of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension or welfare benefit or exercising your rights under ERISA.

Enforcing Your Rights

If your claim for severance and benefits is denied or ignored in whole or in part, you have a right to receive a written explanation of the reason for the denial, to obtain copies of documents related to the decision without charge, and to appeal any denial, all within certain time schedules. You have the right to have your claim reviewed and reconsidered. You also have the right to request a review of the denial of your claim as explained in the "Appeal Procedures" section. No one, including your employer or any other person, may discriminate against you in any way to prevent you from obtaining severance and benefits under the Plan or exercising your rights under ERISA.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for severance and benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court after you have exhausted the Plan's claims and appeal procedures as described in the section "Claims and Appeal Procedures" hereof. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator through your Human Resources Department. They will be glad to help you. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Area Office of the Employee Benefits Security Administration, Department of Labor, listed in your telephone directory, or you may contact:

The Division of Technical Assistance and Inquiries
Employee Benefits Security Administration,
Department of Labor
200 Constitution Avenue, N.W., Room 5N625
Washington, DC 20210
1-866-444-EBSA (1-866-444-3272)
www.dol.gov/ebsa (for general information)
www.askebsa.dol.gov (for electronic inquiries)

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-3272.

Administrative Facts

Topic	Description
Plan Name	MasterCard International Incorporated Executive Severance Plan
Plan Sponsor	MasterCard International Incorporated 2000 Purchase Street Purchase, NY 10577 USA
Source of Contributions to Plan	Employer payments from corporate assets
Employer Identification Number	95-2536378
Plan Number	
Plan Administrator	Group Head Global Rewards MasterCard International Incorporated 2000 Purchase Street Purchase, NY 10577 USA 914-249-5260
Agent for Receiving Service of Legal Process	General Counsel MasterCard International Incorporated 2000 Purchase Street Purchase, NY 10577 USA 914-249-5301

Contact Information

If you have questions about this Plan, please contact your department’s HR Business Partner. If you do not know who your HR Business Partner is, call People Services and they will provide you with this information.

People Services

Phone: 2-3800 (internal)
1-636-722-3800 (external)

Fax: 2-7911 (internal)
1-636-722-7911 (external)

E-Mail: People_Services@MasterCard.com

MasterCard International Incorporated Change in Control Severance Plan

The MasterCard International Incorporated Change in Control Severance Plan (the “Plan”) sets forth the guidelines for MasterCard International Incorporated (the “MasterCard”) and certain of its Affiliates and subsidiaries that have elected to participate in the Plan (the “Participating Employers” and collectively with MasterCard, “the Company”) with respect to change in control severance payments and benefits to certain of their employees who meet the eligibility requirements set forth in the Plan. At all times, payments under the Plan shall be made solely from the general assets of the Company.

Effective Date

The Plan is effective as of August 1, 2009.

Adoption

Affiliates and subsidiaries of MasterCard may adopt this Plan upon approval by the Severance Plan Committee. The list of the Participating Employers as of the Effective Date is attached to this Plan as Exhibit A.

Eligibility

The following employees of the Company are eligible to participate in the Plan (“Eligible Employees”):

- Employees whose terms and conditions of employment are not governed by an employment agreement with the Company and who have been selected prior to a “Change-in-Control” (as such term is defined in the “Definitions” section), in writing, by the Chief Executive Officer (“CEO”) of MasterCard or by the Human Resources and Compensation Committee, as eligible to participate in the Plan, provided that the written selection by the CEO must be made at least six (6) months preceding a Change-in-Control. Such selection shall be made in the CEO’s or the Human Resources and Compensation Committee’s sole and absolute discretion.

Qualification

- a. the Eligible Employee is terminated by the Company or by the Company’s successor without “Cause” (as such term is defined in the “Definitions” section), and such termination occurs within six (6) months preceding, or within two (2) years following, a Change in Control, or
- b. the Eligible Employee terminates his or her employment with the Company or with the Company’s successor for “Good Reason” (as such term is defined in the “Definitions” section), and such termination occurs within six (6) months preceding, or within two (2) years following, a Change-in-Control.
 - The Eligible Employee’s employment may be terminated at the option of the Eligible Employee, effective ninety (90) days after the giving of written notice to the Company by such Eligible Employee of the grounds for termination for Good Reason, which grounds, as specified by the Eligible Employee, have not been cured by the Company during such ninety (90) day period; provided, however, that such Eligible Employee gave notice to the Company

of the event(s) constituting Good Reason within sixty (60) days after such event(s) (or within sixty (60) days after a Change in Control, if the events giving rise to the Eligible Employee's termination for Good Reason occurred during the six (6) month period preceding a Change in Control).

- The Company may waive all or part of the ninety (90) day notice required to be given by the Eligible Employee hereunder by giving written notice to such Eligible Employee.

Circumstances of Ineligibility

Notwithstanding the foregoing, an Eligible Employee shall not be entitled to receive a Change-in-Control Pay (as defined below) if any of the following Circumstances of Ineligibility apply to such Eligible Employee.

- a. the Eligible Employee's employment is terminated due to death or, at the option of the Company, upon the "Disability" (as such term is defined in the "Definitions" section) of the Eligible Employee;
- b. the Eligible Employee elects to voluntarily terminate his or her employment with the Company or a successor for any reason other than for Good Reason;
- c. the Eligible Employee's employment with the Company or a successor is terminated for Cause, at any time preceding or following a Change-in-Control;
 - The Eligible Employee's employment may be terminated for "Cause" by the Company, upon the authority of MasterCard's CEO, effective upon the giving of written notice by the Company to the Eligible Employee of such termination for "Cause", or effective upon such other date as specified therein ("Notice of Termination for Cause"). The Company's Notice of Termination For Cause shall state the date of termination and the basis for the Company's determination that the Eligible Employee's actions establish Cause hereunder;
- d. the failure by the Eligible Employee to give notice of termination for Good Reason (as described above); or
- e. the Eligible Employee is subject to the Company's Mandatory Retirement policy and retires thereunder.

In no event shall a Change in Control of the Company alone, without a related termination of employment, give rise to any Change- in-Control Pay and benefits under the Plan.

Amount and Duration of Change in Control Severance Payments

If the Eligible Employee is entitled to receive a Change-in-Control Pay, and has not been rendered ineligible for receipt of such Change-in-Control Pay due to a Circumstance of Ineligibility, the Eligible Employee shall be entitled to the following payments:

a. Accrued Payments

The Eligible Employee shall be entitled to the following payments following the Date of Termination (as such term is defined in the "Definitions" section):

- a lump sum payment (subject to any previously elected deferrals under the MasterCard Incorporated Deferral Plan), within thirty (30) days following the Date of Termination of all "Base Salary" (as such term is defined in the "Definitions" section) earned but not paid prior to the Date of Termination;

- a lump sum payment within thirty (30) days following the Date of Termination equal to all accrued but unused vacation time up to the Date of Termination;
- a pro rata portion (based upon actually completed calendar months worked) of the annual incentive bonus payable for the year in which the Eligible Employee's termination of employment occurs based on the actual performance of the Company for the applicable performance period as determined by the Compensation Committee and payable in accordance with the regular bonus pay practices of the Company, as contemplated in accordance with the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"); and
- to the extent not already paid, the annual incentive bonus for the year immediately preceding the year in which the Eligible Employee's Date of Termination occurs, payable in the amount and at the time such bonus would have been paid had he or she remained employed.

b. Change-in-Control Pay

The Eligible Employee shall be entitled to receive (i) Base Salary continuation, and (ii) payment (subject to any previously elected deferrals under the MasterCard Incorporated Deferral Plan), of an amount equivalent to the average annual incentive bonus received by such Eligible Employee with respect to the prior two (2) years of the Eligible Employee's employment by the Company (the "Average Bonus Payment"), payable on a schedule in accordance with the regular payroll practices (but in no event less frequently than monthly) and annual incentive bonus pay practices of the Company (such Base Salary continuation and Average Bonus Payment being collectively referred to herein as "Change-in-Control Pay") for, and with respect to a twenty-four (24) month period following the Eligible Employee's Date of Termination (the "Change-in-Control Pay Period").

c. Medical Benefits Continuation

The Eligible Employee shall be entitled to payment by the Company on the Eligible Employee's behalf, for the monthly cost of the premiums for coverage under the Consolidated Omnibus Reconciliation Act of 1985, as amended ("COBRA"), for a period equivalent to the eighteen (18) month COBRA period (twenty-nine (29) month period, if the Eligible Employee is disabled under the Social Security Act within the first sixty (60) days of the continuation period) or the Change-in-Control Pay Period, whichever is shorter (the "Medical Benefits"), provided, however, such coverage shall not be provided if during such period the Eligible Employee is or becomes ineligible under the provisions of COBRA for continuing coverage; and provided, further, that if the Eligible Employee is eligible for Retiree Health Coverage under the MasterCard Retiree Health Plan, the Company shall pay the full cost of such Retiree Health or COBRA coverage, as applicable, during the Change-in-Control Pay Period and thereafter, retiree contribution levels provided under the provisions of the Retiree Health Plan shall apply.

d. Outplacement Services

The Eligible Employee shall be entitled to reasonable outplacement services, to be provided by a firm selected by the Company, at a level generally made available to executives of the Company for the shorter of the Change-in-Control Pay Period or the period he or she remains unemployed.

e. Additional Payments

The Eligible Employee shall be entitled to such other benefits, if any, to which such Eligible Employee is expressly eligible following the termination of the Eligible Employee's employment by the Company without Cause, by the Eligible Employee with Good Reason, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company (other than any severance payments payable under the terms of any benefit plan, including, but not limited to, the MasterCard International Incorporated Severance Plan).

f. Separation Agreement and Release

The Company's obligations to make payments and provide benefits under this "Amount and Duration of Change in Control Severance Payments" section, paragraphs (b)-(d), are conditioned upon the Eligible Employee's execution (without revocation) of the Company's separation agreement and release of all claims related to the Eligible Employee's employment or the termination thereof in a form satisfactory to MasterCard (the "Separation Agreement and Release"), which Separation Agreement and Release shall include a 2-year non-competition restriction and a 2-year non-solicitation restriction, as more fully described in such Separation Agreement and Release, provided that if the Eligible Employee should fail to execute such Separation Agreement and Release within sixty (60) days following the Date of Termination, the Company shall not have any obligation to make the payments and provide the benefits contemplated under this "Amount and Duration of Change in Control Severance Payments" section, paragraphs (b)-(d).

Income Taxes

The change in control severance payments and benefits provided hereunder are subject to all applicable foreign, federal, state, and local tax withholding and generally are taxable income to the Eligible Employee.

Section 409A of the Code

Notwithstanding any other provision of the Plan, if any payment, compensation or other benefit provided to the Eligible Employee in connection with his or her employment termination is determined, in whole or in part, to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the Eligible Employee is a specified employee as defined in Section 409A(a)(2)(b)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the Date of Termination (such date, the "New Payment Date"). The aggregate of any payments that otherwise would have been paid to the Eligible Employee during the period between the Date of Termination and the New Payment Date shall be paid to the Eligible Employee in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of the Plan. If the Eligible Employee dies during the period between the Date of Termination and the New Payment Date, the amounts withheld on account of Section 409A of the Code shall be paid to the Eligible Employee's beneficiary within thirty (30) days of the Eligible Employee's death.

Notwithstanding the preceding paragraph, Change-in-Control Pay in an amount up to two (2) times the lesser of: (i) the Eligible Employee's Base Salary for the year preceding the year in which the Date of Termination occurs; and (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Date of Termination occurs, shall be paid in accordance with the schedule set forth in the "Amount and Duration of Change in Control Severance Payments" section, paragraph (b), without regard to such six (6) month delay.

The Plan is intended to comply with the requirements of Section 409A of the Code, and, specifically, with the separation pay exemption and short term deferral exemption of Section 409A of the Code, and shall in all respects be administered in accordance with Section 409A of the Code. Notwithstanding anything in the Plan to the contrary, distributions may only be made under the Plan upon an event and in a manner permitted by Section 409A of the Code or an applicable exemption. All payments to be made upon a termination of employment under the Plan may only be made upon a "separation from service" under Section 409A of the Code. For purposes of Section 409A of the Code, the right to a series of installment payments under the Plan shall be treated as a right to a series of separate payments. In no event may the Eligible Employee, directly or indirectly, designate the calendar year of a payment. All reimbursements and in-kind benefits provided under the Plan and the Separation Agreement and Release shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement shall be for expenses incurred during the Eligible Employee's lifetime (or during a shorter period of time specified in the Plan or the Separation Agreement and Release, as applicable), (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Administration of Plan

The "Plan Administrator" (as such term is defined in the "Definitions" section) shall have the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply, and interpret the Plan and to decide all matters arising in connection with the operation or administration of the Plan. Without limiting the generality of the foregoing, the Plan Administrator shall have the sole and absolute discretionary authority to:

- take all actions and make all decisions with respect to the eligibility for, and the amount of, Change in Control Pay and benefits payable under the Plan;
- formulate, interpret and apply rules, regulations, and policies necessary to administer the Plan in accordance with its terms;
- decide questions, including legal or factual questions, with regard to any matter related to the Plan;
- to construe and interpret the terms and provisions of the Plan and all documents which relate to the Plan and to decide any and all matters arising thereunder including the right to remedy possible ambiguities, inconsistencies or omissions; and
- except as specifically provided to the contrary in the "Claims and Appeal Procedures" section, process, and approve or deny, claims for change in control severance payments and benefits under the Plan.

All determinations made by the Plan Administrator as to any question involving their respective responsibilities, powers and duties under the Plan shall be final and binding on all parties, to the maximum extent permitted by law. All determinations by MasterCard referred to in the Plan shall be made by MasterCard in its capacity as an employer and settlor of the Plan.

Modification or Termination of Plan

MasterCard reserves the right in its sole and absolute discretion, to amend, modify, or terminate the Plan, in whole or in part, including any or all of the provisions of the Plan, for any reason, at any time, by action of the Human Resource Compensation Committee of MasterCard. Notwithstanding the foregoing, for a two year period following a Change in Control, no amendment, modification or termination of the Plan which may have a detrimental effect on the rights or benefits payable to any Eligible Employee without such Eligible Employee's written consent.

Claims and Appeal Procedures

The Plan Administrator shall make a determination in connection with the termination of employment of any Eligible Employee as to whether a benefit under the Plan is payable to such Eligible Employee, taking into consideration any determination made by the Company as to the circumstances regarding the termination, the Company's decision as to whether or not to pay a benefit under the "Qualification" section, paragraph (c), or the potential applicability of any Circumstances of Ineligibility, and as to the amount of payment. The Plan Administrator shall advise any Eligible Employee it determines is entitled to change in control severance payments and benefits under the Plan and the amount of such Change in Control Pay and benefits. The Plan Administrator may delegate any or all of its responsibilities under this section.

Claim Procedures

Each Eligible Employee or his or her authorized representative (each, the "Claimant") claiming change in control severance payments and benefits under the Plan who has not been advised of such change in control severance payments and benefits by the Plan Administrator or who is not satisfied with the amount of any change in control severance payments and benefits awarded under the Plan is eligible to file a written claim with the Plan Administrator.

Within ninety (90) days after receiving the claim, the Plan Administrator will decide whether or not to approve the claim. The ninety (90)-day period may be extended by the Plan Administrator for an additional ninety (90)-day period if special circumstances require an extension of time to consider the claim. If the Plan Administrator extends the ninety (90)-day period, the Claimant will be notified in writing before the expiration of the initial 90-day period as to the length of the extension and the special circumstances that necessitate the extension.

If the claim is denied, the Plan Administrator shall set forth in writing or electronically the reasons for the denial; the relevant provisions of the Plan on which the decision is made; a description of the Plan's claim appeal procedures; and if additional material or information is necessary to perfect the claim, an explanation of why such material or information is necessary. The notice will also include a statement regarding the procedures for the Claimant to file a request for review of the claim denial as set forth in the "Appeal Procedures" section and the Claimant's right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") following a claim denial on appeal.

Appeal Procedures

If a claim has been denied by the Plan Administrator and the Claimant wishes further consideration and review of his or her claim, he or she must file an appeal of the denial of the claim to the Plan Administrator no later than sixty (60) days after the receipt of the written notification of the Plan Administrator's denial. In correlation with his or her appeal, the Claimant may request the opportunity to

review relevant documents prior to submission of a written statement, submit documents, records and comments in writing, and receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the Claimant's claim for severance and benefits under the Plan. The review of the appeal by the Plan Administrator will take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial review of the claim.

The Plan Administrator will notify the Claimant in writing or electronically of its decision with respect to its review of the appeal within sixty (60) days of the receipt of the request for a review of the claim. Due to special circumstances, the Plan Administrator may extend the time to reach a decision with respect to the appeal of the claim denial, in which case the Plan Administrator will notify the Claimant in writing before the expiration of the initial 60-day period as to the length of the extension and the special circumstances that necessitate such extension and render a decision as soon as possible, but not later than one hundred twenty (120) days following the receipt of the Claimant's request for appeal.

If the appeal is denied, the Plan Administrator will set forth in writing or electronically the specific reasons for the denial and references to the relevant Plan provisions on which the determination of the denial is based. The notice will also include a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim, and a statement of the Claimant's right to bring an action under Section 502(a) of ERISA.

Exhaustion of Remedies under the Plan

A Claimant wishing to seek judicial review of an adverse benefit determination under the Plan, whether in whole or in part, must file any suit or legal action, including, without limitation, a civil action under Section 502(a) of ERISA, within one (1) year of the date the final decision on the adverse benefit determination on review is issued or should have been issued or lose any rights to bring such an action. If any such judicial proceeding is undertaken, the evidence presented shall be strictly limited to the evidence timely presented to the Plan Administrator. A Claimant may bring an action under ERISA only after he or she has exhausted the Plan's claims and appeal procedures.

Miscellaneous Provisions

- Neither the establishment of this Plan, nor any modification thereof, nor the payment of any change in control severance payments and benefits hereunder, shall be construed as giving to any Eligible Employee, or other person, any legal or equitable right against the Company or any current or former officer, director, or employee thereof, and in no event shall the terms and conditions of employment by the Company of any Eligible Employee be modified or in any way affected by this Plan.
- The records of the Company with respect to employment history, compensation, absences, illnesses, and all other relevant matters shall be conclusive for all purposes of this Plan.
- The respective terms and provisions of the Plan shall be construed, whenever possible, to be in conformity with the requirements of ERISA, or any subsequent laws or amendments thereto. To the extent not to conflict with the preceding sentence, the construction and administration of the Plan shall be in accordance with the laws of the state of New York applicable to contracts made and to be performed within the state of New York (without reference to its conflicts of law provisions).
- Nothing contained in this Plan shall be held or construed to create any liability upon the Company to retain any employee in its service or to change the employee-at-will status of any employee. All

employees shall remain subject to discharge or discipline to the same extent as if the Plan had not been put into effect. An employee's failure to qualify for or receive a change in control severance payments and benefits hereunder shall not establish any right to (i) continuation or reinstatement, or (ii) any benefits in lieu of change in control severance payments and benefits.

Definitions

Terms	Definitions
Affiliates	Any corporation which is included in a controlled group of corporations (within the meaning of Section 414(b) of the Code) which includes MasterCard and any trade or business (whether or not incorporated) which is under common control with MasterCard (within the meaning of Section 414(c) of the Code); provided that for purposes of this definition the ownership test percentage shall be 50% rather than 80%.
Base Salary	The Eligible Employee's annual base salary in effect at the time of termination, except in the case of a termination of employment by the Eligible Employee for Good Reason based on a reduction of the Eligible Employee's annual base salary, "Base Salary" shall mean the annual base salary in effect immediately prior to such reduction.
Change-in Control	A change in control as set forth in the MasterCard Incorporated 2006 Long-Term Incentive Plan as it may be amended from time to time ("LTIP").
Cause	<ul style="list-style-type: none"> the willful failure by the Eligible Employee to perform his or her duties or responsibilities (other than due to Disability); the Eligible Employee's engaging in serious misconduct that is injurious to the Company including, but not limited to, damage to its reputation or standing in its industry; the Eligible Employee's having been convicted of, or entered a plea of guilty or nolo contendere to, a crime that constitutes a felony, or a crime that constitutes a misdemeanor involving moral turpitude; the material breach by the Eligible Employee of any written covenant or agreement with the Company not to disclose any information pertaining to the Company; or the breach by the Eligible Employee of the Code of Conduct, the Supplemental Code of Conduct, any material provision of the Plan, or any material provision of the following the Company policies: non-discrimination, substance abuse, workplace violence, nepotism, travel and entertainment, corporation information security, antitrust/competition law, enterprise risk management, accounting, contracts, purchasing, communications, investor relations, immigration, privacy, insider trading, financial process and reporting procedures, financial approval authority, whistleblower, anti-corruption and other similar the Company policies, whether currently in effect or adopted after the Effective Date of the Plan.
Company	MasterCard and its Affiliates and subsidiaries.
Disability	<p>Disability shall be defined as set forth under the MasterCard Long-Term Disability Benefits Plan, as it may be amended from time to time.</p> <p>Any dispute concerning whether the Eligible Employee is deemed to have suffered a Disability for purposes of the Plan shall be resolved in accordance with the dispute resolution procedures set forth in the MasterCard Long-Term Disability Benefits Plan.</p>
Good Reason	<p>The occurrence of any of the following without the prior written consent of the Eligible Employee:</p> <ul style="list-style-type: none"> the assignment to a position for which the Eligible Employee is not qualified or a materially lesser position than the position held by the Eligible Employee (although duties may differ without giving rise to a termination by the Eligible Employee for Good Reason);

- a material reduction in the Eligible Employee's annual Base Salary except that a 10 percent reduction, in the aggregate, over the period of the Eligible Employee's employment shall not be treated as a material reduction; or
- the relocation of the Eligible Employee's principal place of employment to a location more than fifty (50) miles from the Eligible Employee's principal place of employment (unless such relocation does not increase the Eligible Employee's commute by more than twenty (20) miles), except for required travel on the Company's business to an extent substantially consistent with the Eligible Employee's business travel obligations as of the date of relocation.

MasterCard	MasterCard International Incorporated.
Participating Employers	The Affiliates and subsidiaries of MasterCard that have adopted the Plan upon approval by the Severance Plan Committee.
Plan Administrator	Group Head Global Rewards of Mastercard.
Severance Plan Committee	The Severance Plan Committee serves as an advisory committee to the Plan Committee and consists of at least one member of the law, finance and human resources departments of MasterCard.
Date of Termination	The date on which the Eligible Employee incurs a termination of employment as described in the "Qualification" section or such other date on which an Eligible Employee incurs a "separation from service" determined using the default provisions set forth in Section 1.409A-1(h) of the Treasury Regulations. Pursuant to such default provisions, an Eligible Employee will be treated as no longer performing services for the Company when the level of services he or she performs for the Company decreases to a level equal to 20% or less of the average level of services performed by such Eligible Employee during the immediately preceding 36 months.

Your Rights Under ERISA

The Department of Labor has issued regulations that require the Company to provide you with a statement of your rights under ERISA with respect to this Plan. The following statement was designated by the Department of Labor to satisfy this requirement and is presented accordingly.

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants are entitled to:

Receive Information About Your Plan and Benefits

1. Examine, without charge, all Plan documents and copies of all documents filed by the Company with the Department of Labor. This includes annual reports and Plan descriptions. All such documents are available for review in your Human Resources Department.
2. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may charge you a reasonable fee for the copies.

3. Receive a summary of the Plan's annual financial report. Once each year, the Plan Administrator will send you a Summary Annual Report of the Plan's financial activities at no charge.

Prudent Action by Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called fiduciaries of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension or welfare benefit or exercising your rights under ERISA.

Enforcing Your Rights

If your claim for change in control severance payments and benefits is denied or ignored in whole or in part, you have a right to receive a written explanation of the reason for the denial, to obtain copies of documents related to the decision without charge, and to appeal any denial, all within certain time schedules. You have the right to have your claim reviewed and reconsidered. You also have the right to request a review of the denial of your claim as explained in the "Appeal Procedures" section. No one, including your employer or any other person, may discriminate against you in any way to prevent you from obtaining change in control severance payments and benefits under the Plan or exercising your rights under ERISA.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for change in control severance payments and benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court after you have exhausted the Plan's claims and appeal procedures as described in the section "Claims and Appeal Procedures" hereof. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator through your Human Resources Department. They will be glad to help you. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Area Office of the Employee Benefits Security Administration, Department of Labor, listed in your telephone directory, or you may contact:

The Division of Technical Assistance and Inquiries
Employee Benefits Security Administration,
Department of Labor
200 Constitution Avenue, N.W., Room 5N625
Washington, DC 20210
1-866-444-EBSA (1-866-444-3272)
www.dol.gov/ebsa (for general information)
www.askebsa.dol.gov (for electronic inquiries)

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-3272.

Administrative Facts

Topic	Description
Plan Name	MasterCard International Incorporated Change in Control Severance Plan
Plan Sponsor	MasterCard International Incorporated 2000 Purchase Street Purchase, NY 10577 USA
Source of Contributions to Plan	Employer payments from corporate assets
Employer Identification Number	95-2536378
Plan Number	_____
Plan Administrator	Group Head Global Rewards MasterCard International Incorporated 2000 Purchase Street Purchase, NY 10577 USA 914-249-5260
Agent for Receiving Service of Legal Process	General Counsel MasterCard International Incorporated 2000 Purchase Street Purchase, NY 10577 USA 914-249-5301

Contact Information

If you have questions about this Plan, please contact your department's HR Business Partner. If you do not know who your HR Business Partner is, call People Services and they will provide you with this information.

People Services

Phone: 2-3800 (internal)
1-636-722-3800 (external)

Fax: 2-7911 (internal)
1-636-722-7911 (external)

E-Mail: People_Services@MasterCard.com

EXHIBIT A

PARTICIPATING EMPLOYERS

MasterCard Incorporated
MasterCard International LLC
MasterCard Advisors LLC