

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2019

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-33977



VISA INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

P.O. Box 8999

San Francisco, California

(Address of principal executive offices)

26-0267673

(IRS Employer
Identification No.)

94128-8999

(Zip Code)

(650) 432-3200

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, par value \$0.0001 per share	V	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Class B common stock, par value \$0.0001 per share
Class C common stock, par value \$0.0001 per share

(Title of each Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer" "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's class A common stock, par value \$0.0001 per share, held by non-affiliates (using the New York Stock Exchange closing price as of March 29, 2019, the last business day of the registrant's most recently completed second fiscal quarter) was approximately \$272.0 billion. There is currently no established public trading market for the registrant's class B common stock, par value \$0.0001 per share, or the registrant's class C common stock, par value \$0.0001 per share.

As of November 8, 2019, there were 1,712,677,044 shares outstanding of the registrant's class A common stock, par value \$0.0001 per share, 245,513,385 shares outstanding of the registrant's class B common stock, par value \$0.0001 per share, and 11,133,345 shares outstanding of the registrant's class C common stock, par value \$0.0001 per share.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Proxy Statement for the 2020 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein. Such Proxy Statement will be filed with the Securities and Exchange Commission within 120 days of the Registrant's fiscal year ended September 30, 2019.

TABLE OF CONTENTS

	<u>Page</u>
<u>PART I</u>	
Item 1	Business 4
Item 1A	Risk Factors 19
Item 1B	Unresolved Staff Comments 30
Item 2	Properties 30
Item 3	Legal Proceedings 30
Item 4	Mine Safety Disclosures 30
<u>PART II</u>	
Item 5	Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities 31
Item 6	Selected Financial Data 33
Item 7	Management’s Discussion and Analysis of Financial Condition and Results of Operations 34
Item 7A	Quantitative and Qualitative Disclosures About Market Risk 50
Item 8	Financial Statements and Supplementary Data 52
Item 9	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure 112
Item 9A	Controls and Procedures 112
Item 9B	Other Information 112
<u>PART III</u>	
Item 10	Directors, Executive Officers and Corporate Governance 113
Item 11	Executive Compensation 113
Item 12	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters 113
Item 13	Certain Relationships and Related Transactions, and Director Independence 113
Item 14	Principal Accounting Fees and Services 113
<u>PART IV</u>	
Item 15	Exhibits, Financial Statement Schedules 114

Unless the context indicates otherwise, reference to “Visa,” “Company,” “we,” “us” or “our” refers to Visa Inc. and its subsidiaries.

“Visa” and our other trademarks referenced in this report are Visa’s property. This report may contain additional trade names and trademarks of other companies. The use or display of other companies’ trade names or trademarks does not imply our endorsement or sponsorship of, or a relationship with these companies.

Forward-Looking Statements:

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 that relate to, among other things, our future operations, prospects, developments, strategies and growth of our business; anticipated expansion of our products in certain countries; industry developments; anticipated benefits of our acquisitions; expectations regarding litigation matters, investigations and proceedings; timing and amount of stock repurchases; sufficiency of sources of liquidity and funding; effectiveness of our risk management programs; and expectations regarding the impact of recent accounting pronouncements on our consolidated financial statements. Forward-looking statements generally are identified by words such as “believes,” “estimates,” “expects,” “intends,” “may,” “projects,” “could,” “should,” “will,” “continue” and other similar expressions. All statements other than statements of historical fact could be forward-looking statements, which speak only as of the date they are made, are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond our control and are difficult to predict. We describe risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, any of these forward-looking statements in *Item 1—Business*, *Item 1A—Risk Factors*, *Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations* and elsewhere in this report. Except as required by law, we do not intend to update or revise any forward-looking statements as a result of new information, future events or otherwise.

PART I

ITEM 1. Business

OVERVIEW

Visa is the world's leader in digital payments. Our mission is to connect the world through the most innovative, reliable and secure payments network — enabling individuals, businesses and economies to thrive. We facilitate commerce across more than 200 countries and territories among a global set of consumers, merchants, financial institutions, businesses, strategic partners and government entities.

Since Visa's inception in 1958, Visa has been in the business of facilitating payments between consumers and businesses. With new ways to pay, we are evolving into a company that enables money movement for everyone, everywhere. To accomplish this, we are continually focused on extending, enhancing and investing in our proprietary network, VisaNet, while seeking new ways to offer products and services and become a single connection point for initiating any transaction, both on the Visa network and beyond.

This has enabled Visa to become one of the world's largest electronic payments networks based on payments volume and number of transactions. Our fundamental business model is based on the following:

- **We facilitate secure, reliable and convenient transactions between financial institutions, merchants and account holders.** We traditionally have referred to this as the 'four party' model. As the payments ecosystem continues to evolve, we are continuing to broaden this model to include digital banks, wallets and a range of financial technology companies (fintechs), governments and non-governmental organizations. We provide transaction processing services (primarily authorization, clearing and settlement) to our financial institution and merchant clients through VisaNet, our global processing platform. During fiscal year 2019, we saw 201.9 billion payments and cash transactions with Visa's brand, equating to an average of 553 million transactions a day. Of the 201.9 billion total transactions, 138.3 billion were processed by Visa.
- **We offer a wide range of Visa-branded payment products** that our 15,500 financial institution clients use to develop and offer core business solutions, including credit, debit, prepaid and cash access programs for individual, business and government account holders. During fiscal year 2019, Visa's total payments and cash volume grew to \$11.6 trillion and more than 3.4 billion cards were available worldwide to be used at more than 61 million merchant locations.
- **We take an open, partnership approach** and seek to provide value by enabling access to our global network, including offering our technology capabilities through application programming interfaces (APIs). Additionally, we enter into partnerships with both traditional and emerging players to innovate and expand the payments ecosystem. This approach helps our partners leverage the resources of our platform to scale and grow their businesses more quickly and effectively.
- **We are accelerating the migration to digital payments** by enabling new types of transactions beyond the core consumer-to-business (C2B) payments. These include person-to-person (P2P), business-to-consumer (B2C), business-to-business (B2B) and government-to-consumer (G2C) payments.
- **We provide value-added services** to our clients, including consulting and analytics, fraud management and security services, merchant solutions, processing capabilities and digital services like tokenization.
- **We invest in and promote our brand** to the benefit of our clients and partners through advertising, promotional and sponsorship initiatives with FIFA, the International Olympic Committee and the International Paralympic Committee, and the National Football League, among others. We also use these sponsorship assets to showcase our payment innovations.

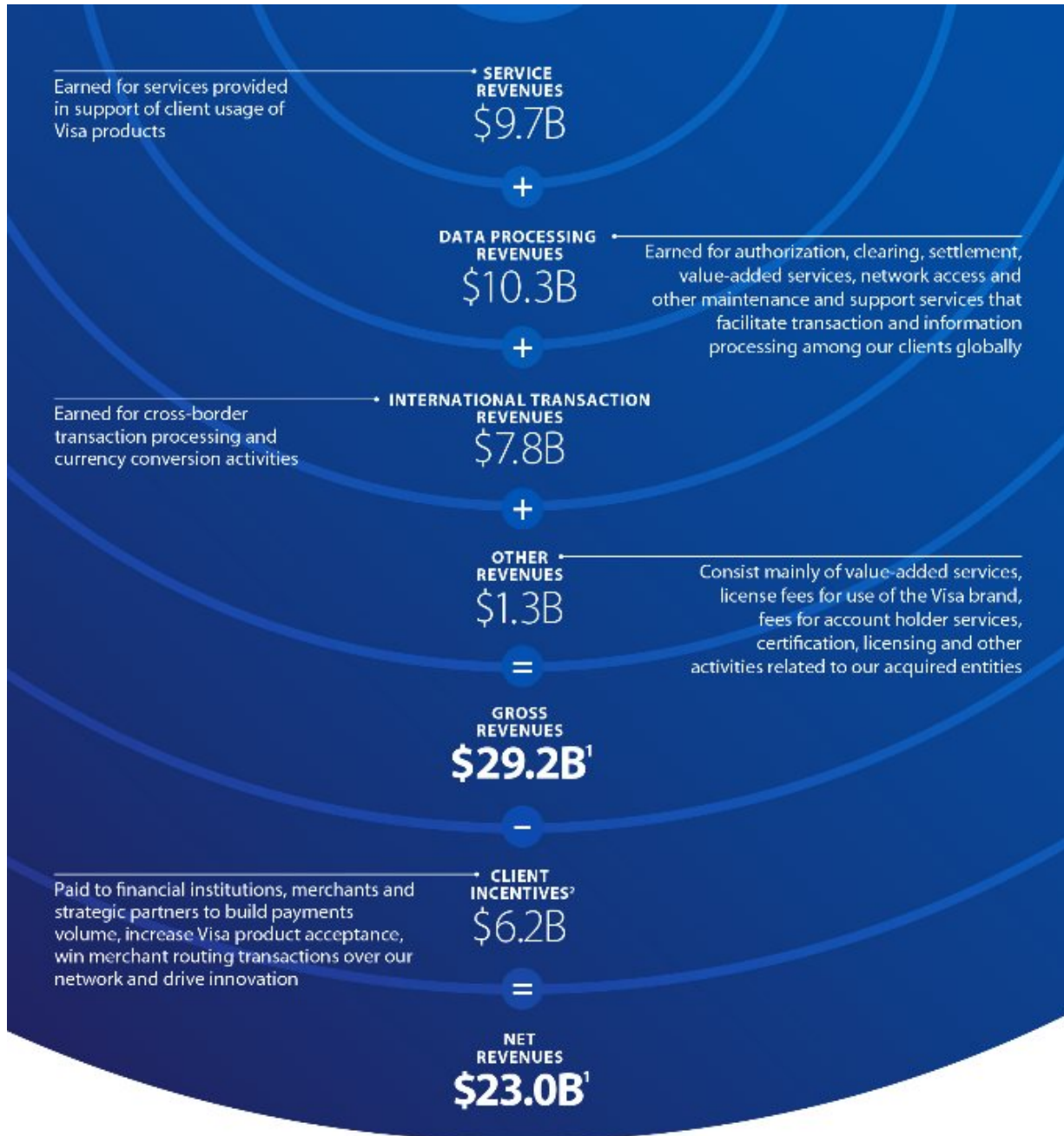
FISCAL YEAR 2019 KEY STATISTICS



⁽¹⁾ Please see *Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations* for a reconciliation of our non-GAAP financial results.

Revenue Details

Net revenues consist of service revenues, data processing revenues, international transaction revenues, and other revenues minus costs incurred under client incentive arrangements. We have one reportable segment, which is Payment Services.



⁽¹⁾ Figures in the tables may not recalculate exactly due to rounding.

⁽²⁾ Please see *Note 3—Revenues* to our consolidated financial statements included in *Item 8. Financial Statements and Supplementary Data* for the impact of the new revenue standard.

Visa earns revenue by facilitating commerce across more than 200 countries and territories among a global set of consumers, merchants, financial institutions, businesses, strategic partners and government entities. Visa is not a financial institution. We do not issue cards, extend credit, or set rates and fees for account holders of Visa products. That is the role of our financial institution clients. We do not earn revenues from, or bear credit risk with respect to, interest or fees paid by account holders on Visa products. Interchange reimbursement fees represent a transfer of value between the financial institutions participating in our open-loop payments network. We administer the collection and remittance of interchange reimbursement fees through the settlement process, but we generally do not receive any revenue related to interchange reimbursement fees. In addition, we do not receive as revenue the fees that merchants are charged directly for acceptance by their acquirers.

ACCELERATING OUR BUSINESS: FISCAL YEAR 2019 KEY FOCUS AREAS

As technology evolves from wired to wireless solutions — driven by technology developments such as the expansion of mobile technology and the rise of 5G networks — there are significant opportunities to grow digital payments. To capture this growth, we are strengthening our core business while simultaneously evolving our organization to seize opportunities to open new payment flows, expand access, build our acceptance footprint and grow our base of partners and clients. We are also building and acquiring new capabilities that can add value to our clients as we strengthen the foundation of our business: technology, security, brand and talent.

Core Business

For decades, Visa's growth has been driven by the strength of our core business solutions — credit, debit and prepaid products — as well as our global ATM network. As the pace of change accelerates each year, helped by the advancement of technology and our focus on the user experience in payments, we see significant opportunity for continued growth. We are accelerating efforts to move approximately \$17 trillion in consumer spending and \$15-20 trillion of B2B spending still done in cash and check to cards and digital credentials on the Visa network.

Core Business

- Core Products**
3.4B cards at over 61M merchant locations
- Tap to pay**
1/3 of all domestic face-to-face transactions in over 50 countries
- Ecommerce**
Growth outpacing physical retail
- Access & Acceptance**
First-time access to digital payments for 396M consumers
- Partnerships**
Fintechs develop apps using Visa APIs
- Ventures**
Strategic investments to enrich broader payments ecosystem

1. Core Products

Business Solutions: We offer a portfolio of business payment solutions, including small business, corporate (travel) cards, purchasing cards, virtual cards/digital credentials, non-card cross-border B2B payment options and disbursement accounts, covering most major industry segments around the world. Business solutions are designed to bring efficiency, controls and automation to small businesses, commercial and government payment processes, ranging from employee travel to fully integrated, invoice-based payables.

Credit: Credit cards and digital credentials are issued by financial institutions and used by co-brand partners and fintechs to allow consumers and businesses to access credit to pay for goods and services. Visa does not extend credit to account holders; however, we provide card benefits, including technology, authorization, fraud tools and brand support that issuers use to enable their credit products. We also work with our clients on product design, consumer segmentation and consumer experience design to help our clients deliver products and services that match their consumers' needs.

Debit: Debit cards and digital credentials are issued by financial institutions to allow consumers and small businesses to purchase goods and services using funds held in their bank accounts. Debit cards enable account holders to transact — in person, online or via mobile — without needing cash or checks and without accessing a line of credit. Visa provides a strong brand, the network infrastructure (which includes processing, acceptance, product features and support, risk tools and services) and industry expertise to help issuers optimize their debit offerings.

Prepaid: Prepaid products draw from a designated balance funded by individuals, businesses or governments. Prepaid cards address many use cases and needs, including general purpose reloadable, payroll, government and corporate disbursements, healthcare, gift and travel. Prepaid cards also play an important part in financial inclusion, bringing payment solutions to those with limited or no access to traditional banking products.

Global ATM: The Visa/PLUS Global ATM network provides account holders with cash access in more than 200 countries and territories worldwide through issuing and acquiring partnerships with both financial institutions and independent ATM operators.


Tap to Pay

Contactless payments — or when a consumer taps to pay at checkout with a contactless card or mobile phone — continues to see strong adoption around the world. In 2019, excluding the United States (“U.S.”), tap to pay had surpassed 50 percent of face-to-face transactions that ran over the Visa network. This is up from less than 30 percent just two years ago. There are now more than 50 countries where tapping to pay represents at least a third of all domestic face-to-face transactions processed on our network, up from 35 countries at the end of last fiscal year.

The U.S. is starting to catch up to this global adoption rate. In 2019, U.S. financial institutions began issuing contactless cards to customers nationwide. There are now more than 100 million Visa contactless cards in the U.S., and we expect that number to grow to 300 million by the end of 2020.

Contactless payments can also open up new payment experiences, such as transit. Transit continues to be an important use case for introducing consumers to the benefits of tapping to pay. In 2019, Visa helped launch contactless transit solutions in cities around the world, including Belarus, Edinburgh, Florence, Manchester, Miami, Milan, New York, Rio de Janeiro, Singapore, São Paulo and more — making it easier for people to get around while reducing operating costs for private and public transport operators.

Ecommerce

Ecommerce has drastically evolved since the first online purchase was made on the Visa network 25 years ago. Digital commerce growth is outpacing physical retail growth, and we expect this to continue. This presents an opportunity to evolve both the security and consumer experience around ecommerce. As a result, we are helping to transform the digital checkout experience by adding more security and removing friction with the launch of click to pay. Enabled by the EMV® Secure Remote Commerce Specifications, click to pay simplifies the checkout experience, eliminating the need for a consumer to enter payment details each time they are purchasing digital services or shopping online. This means greater consistency and fewer steps at checkout, regardless of one’s payment choice. In October 2019, click to pay went live with select merchants in the U.S., and we expect full commercial migration of Visa Checkout to happen in early 2020. Consumers can click to pay with confidence when they see a common checkout button with network logos and a stylized depiction of a fast forward icon . ⁽¹⁾

⁽¹⁾ The SRC payment icon is available for use in connection with implementations of the EMV® Secure Remote Commerce Specification. The SRC payment icon image files are provided following execution of the EMVCo Trademark License Agreement for SRC Payment Icon and may only be used in conformance with the Secure Remote Commerce (SRC): Payment Icon Reproduction Requirements.

Growing Access and Acceptance

A key component of how we expand our business focuses on growing access and increasing acceptance of our products around the world. Mobile connectivity, new acceptance devices untethered to landline infrastructure and new partnerships are enabling Visa payments in categories where card acceptance has typically been low, such as rent, parking and vending machines. We accomplish this in a few ways:

Drive new acceptance categories to uncover additional growth. We continue to expand our acceptance footprint in both mature and emerging markets, and we remain committed to growing access and acceptance so that businesses and devices are enabled to send and receive funds via the Visa network. For example, Visa has grown acceptance in the U.S. vending machine category by enabling more than two million devices as new acceptance locations, which still leaves an estimated 50 percent of vending machines available for upgrade. Street parking represents a similar opportunity.

Ensuring seamless experiences for cross-border transactions. As commerce continues to flow across borders, we are simplifying and streamlining how funds flow for both consumers and businesses. Cross-border ecommerce is also a growing opportunity. Consumers purchasing something from a foreign website are expected to account for \$900 billion in gross merchandise volume by 2020, representing an estimated 22 percent share of the global ecommerce market.⁽²⁾

Enhancing inclusive financial access. According to the World Bank, 1.7 billion people worldwide still lack access to formal financial services, which means they do not have access to the services that can help facilitate the growth of their economic livelihood. As part of the World Bank's goal of Universal Financial Access by 2020, in 2015 we committed to reaching 500 million consumers by 2020. At the end of 2018, we reached 396 million consumers worldwide with first-time access to a digital payment product through a Visa-branded account in partnership with local financial institutions.

Our scan to pay service has emerged as one of our most successful low-cost acceptance solutions for merchants, enabling the growth of digital payments in developing economies and remote locations. In some countries, the infrastructure for traditional payments technology simply may not exist. With scan to pay, a business needs only to display a QR code to accept digital payments, saving the cost, time and complexity of installing a terminal and telecommunications wiring. Scan to pay is already live in parts of Africa, Eastern Europe, the Middle East and Asia, with plans to expand into emerging markets of all sizes and regions.

In India, we continue to work with local acquirers to expand access and strengthen consumer demand for electronic payments. The total acceptance points in India have expanded to more than five million, including more than one million QR points this year. In Mexico, we are executing a program to grow the penetration of electronic payments, supporting the introduction of mobile point-of-sale (mPOS) and new acceptance technologies through our payment facilitator and acquirer partners.

Our social impact work also supports women's empowerment and the expansion of financial inclusion through programs that support skill-development and access to networks and financial services for under and unbanked populations.

In January 2019, we launched She's Next, Empowered by Visa, which connects women business owners to their communities, funding options and payment technologies through workshops, training and mentorship. To date, Visa has signed up and hosted women entrepreneurs at workshops across North America, including Atlanta, Los Angeles, New York City, Toronto and Washington D.C.

Open Partnership Model

For more than 60 years, mutually beneficial partnerships have been fundamental to Visa's business model. We traditionally have operated in a four-party model, facilitating transactions between issuers, acquirers, merchants and account holders. As the payment ecosystem grows, so too does Visa's partnership model. Today, our partnerships extend to technology companies, fintechs, governments and non-governmental organizations.

⁽²⁾ <http://www.ipc.be/services/markets-and-regulations/e-commerce-market-insights/e-commerce-articles/global-ecommercefigures-2017#infographic>

Fintechs continue to be key enablers around the world in helping to expand access through electronic payments, open new points of acceptance, drive new payment flows and create new ways to pay and be paid. Visa has the ability to help these companies grow and scale their payment innovations around the world, with increased safety and speed. Visa is continuing to increase its reach and scope to address fintech needs by partnering directly with them and with the platforms that service them around the world.

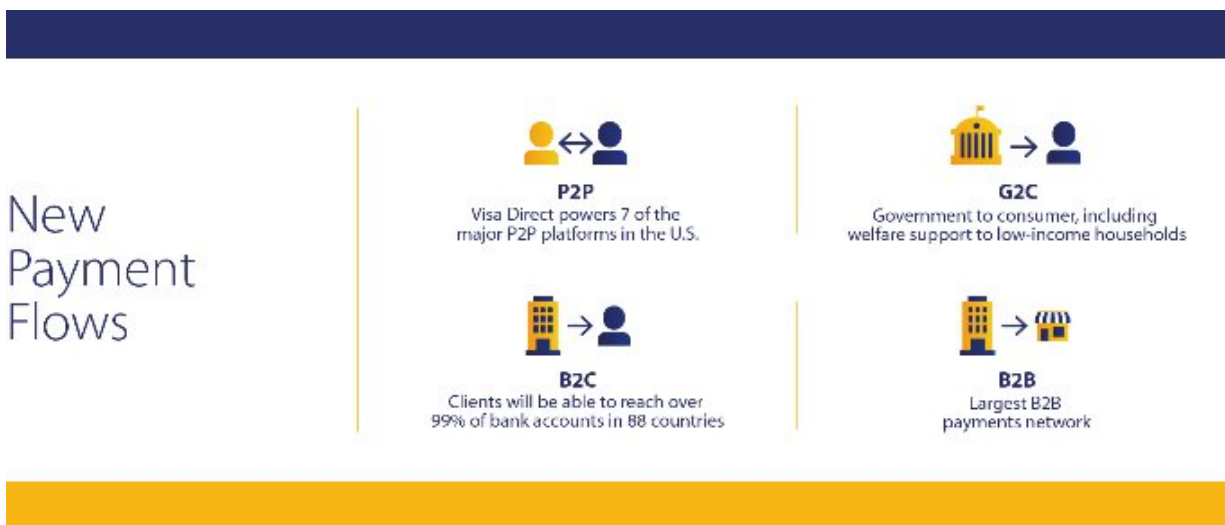
We are designing Visa services to more efficiently meet our partners' needs. Visa Fintech Fast Track, a program that enables nimble start-ups to more easily scale and leverage the reach, capabilities and security Visa offers, is now available to clients globally. Additionally, the new Visa Partner portal provides comprehensive services and resources — everything from information about API services to how to think about issuer processing — to help fintechs and all of our ecosystem partners bring new ways to pay to life.

Ventures

Visa continues to make strategic investments in some companies that are enriching the broader payments ecosystem. Through these strategic investments, Visa seeks to promote complementary, value-added services, enable new use cases, and expand the distribution and utility of our payments network.

2. New Payment Flows

Over the last several years, Visa has invested in expanding beyond C2B payments to capture growth in new payment flows such as P2P, B2C, B2B and G2C payments. Today, partners are increasingly using Visa's network infrastructure and capabilities to enable Visa to unlock a growing market opportunity.



Visa Direct

Visa Direct continues to be one of the most meaningful ways in which we are capturing new types of payments that were previously made by cash, check or Account Clearing House (ACH). Visa Direct, Visa's real-time⁽³⁾ push payments service, reverses the traditional card payment flow by allowing payment originators, through their acquirer, to push funds directly to cards, better meeting consumer and business needs. For example, a ride sharing company can pay its drivers after a shift by transferring their pay directly to a Visa product. Visa Direct helps enable domestic and cross-border payouts for consumers and small businesses in more than 170 countries. Its capabilities modernize money movement, offering enhanced choice and convenience in how money is sent and received. We have announced several Visa Direct partnerships that have helped drive transaction growth to more than 100 percent year-over-year growth this year.

⁽³⁾ Actual fund availability depends on receiving financial institution and region. Visa requires fast-funds enabled issuers to make funds available to their recipient account holders within a maximum of 30 minutes of approving the transaction.

Today, Visa Direct powers seven of the major P2P platforms in the U.S. In the last year, Visa Direct transactions have been sent from 90 countries to the more than 170 countries where Visa Direct is currently available.

Cross-border payments have continued to be a focal point for Visa Direct, with key partnerships announced throughout the year. With Visa Direct, Visa is extending the reach and capabilities of our global network to create a payment solution that is less constrained by time, borders or networks.

Earthport

In July 2019, Visa acquired Earthport, which provides cross-border payment services to banks, money transfer service providers and businesses via one of the world's largest independent ACH networks. Before Earthport, Visa could reach about half of the world's bank accounts, accessing them using Visa Direct and sending money to Visa credentials, such as debit or credit cards. Through a combination of the existing Visa network and the addition of the Earthport network, Visa clients will soon be able to push payments to the majority of the world's banked population, reaching more than 99 percent of bank accounts in 88 countries, including the top 50 markets. Our vision is to enable our clients to reach bank accounts of consumers and small businesses in almost 200 countries via a single connection. Integration efforts are underway, and we expect to launch a pilot of our first fully integrated Visa Direct and Earthport experience by the end of the 2019 calendar year.

B2B

We are also extending our network with B2B payments. Businesses spend an estimated \$120 trillion each year, offering tremendous room for us to continue to grow our business. Our strategy is two-fold: invest in and grow our existing commercial card solutions and capture new payment flows by innovating in the non-card payments space.

Our existing commercial card solutions generated more than \$1 trillion in payments volume in fiscal year 2019, making Visa the largest card payment network for B2B payments in the world. We continue to invest across our small business, travel and entertainment, purchasing, fleet and virtual card solutions to further digitize how businesses pay other businesses.

In 2019, we commercially launched Visa B2B Connect, a multilateral network that operates separately from VisaNet and facilitates B2B cross-border transactions directly from an originating bank to the recipient bank. This network gives financial institutions the ability to quickly and securely process high-value corporate cross-border payments globally and helps simplify and speed up the way businesses pay other businesses around the world. Visa B2B Connect's current reach includes more than 60 countries with the goal to expand to more than 100 countries in 2020.

We are actively working with strategic partners and clients to increase the adoption of electronic payments in the accounts receivable and accounts payable space across large and medium-sized markets, as well as the small business category in key areas such as bill payment.

3. Value-Added Services

As the payments category expands, both in scope and size, there is a growing opportunity to broaden our revenue streams by expanding the capabilities of our existing network in addition to selectively offering our services to other payment providers. We are accomplishing this through both organic investment and strategic acquisitions. Today, we offer several enhanced capabilities and services, including fraud prevention and security, processing, loyalty, merchant and digital solutions, consulting and data solutions.

Value-Added Services



Merchant & Acquirer Solutions
CyberSource enables merchants to securely accept payments online



Consulting & Analytics
Hundreds of payments consultants, data scientists and economists in 6 continents



Fraud Management & Security Services
Helped prevent \$25B in fraud with AI

Visa Consulting and Analytics

Visa Consulting and Analytics is the payments consulting advisory arm of Visa. This group is a client-facing global team of several hundred payments consultants, data scientists and economists across six continents. The combination of our deep payments expertise, our breadth of data and our economic intelligence allows us to identify actionable insights, recommendations and solutions that drive better business decisions and outcomes for clients.

Fraud Management and Security Services

Trust is at the core of Visa. Through an evolving and multilayered approach, Visa strives to expect the unexpected, constantly monitoring our network and sharing intelligence with our partners. Our multi-prong security strategy is based on empowering consumers and clients through tools, resources and controls so that others can make more informed risk decisions. To provide these tools, we invest in intelligence and technologies that improve fraud and authorization performance. Visa Advanced Authorization risk scores every Visa-processed transaction in about one millisecond, an average of 379 million times a day. In the last year, Visa's artificial intelligence-powered risk scoring engine helped financial institutions prevent about \$25 billion in fraud.

We believe security is an integral driver for growth and innovation. Several developments over the course of 2019 help demonstrate our approach:

- We continued to see the benefits of chip technology in preventing counterfeit fraud and reducing the amount and rate of fraud taking place in-person at physical stores. In the U.S., for example, our most recent data shows an 87 percent decline in counterfeit fraud at chip-enabled merchants since 2015, when the industry began to deploy chip technology.
- EMV® 3-D Secure (3DS) is a new generation of the protocol — developed by Visa, other payment brands and industry participants as part of EMVCo — and is designed to protect accounts from unauthorized use across desktop, laptop, mobile or other connected devices, making online purchases easier and more secure. In 2019, Visa branded its 3DS program as Visa Secure (formerly Verified by Visa). The Visa Secure visual badge, combined with descriptive language emphasizing, “Your online transactions are secure with Visa,” will be the way consumers encounter Visa's 3DS offering.

Visa is also committed to helping protect the broader payments ecosystem from growing cyber threats through continued investments in intelligence and technology. Companies today must be responsible for securing their businesses from increasingly sophisticated tactics by cyber criminals. Visa provides a suite of capabilities that are a core benefit of being part of the Visa network. Our security capabilities help protect the integrity of the payments ecosystem by seeking to detect and disrupt fraud threats targeting financial institutions and merchants. We combine payment and cyber intelligence, insights and learnings from client/partner breach investigations and law enforcement engagement to help financial institutions and merchants solve critical security challenges.

Visa Token Service

Visa Token Service creates a secure environment to help drive innovation in online and mobile commerce. The technology works by replacing a consumer's card-related sensitive information, such as personal account number, with a unique identifier, or *token*, which protects transactions in a number of ways, including when a card or shopper is not physically present. Launched in 2014, tokenization has been brought to scale over the last five years. Visa Token Service is available in more than 100 markets.

In October 2019, Visa acquired the token services and ticketing businesses of Rambus Inc. The combination of Visa's card network tokenization capabilities with the local and account tokenization technology of Rambus will facilitate safer, more secure payments across a broader range of global commerce types.

Merchant and Acquirer Solutions

CyberSource's product offerings are examples of Visa's continued investment to deliver industry-leading products and capabilities to our merchant and acquirer partners. The CyberSource platform enables merchants to accept payments online, in-app or on the mobile web and in-person. CyberSource's small business solutions are represented by the Authorize.Net brand in North America. CyberSource provides modular, digital capabilities beyond the traditional gateway function of connecting merchants to payment processing. As part of CyberSource's solution to acquirers, we are enabling acquirers to leverage our capabilities to drive more innovation in the payments ecosystem.

Using CyberSource services, merchants of all sizes can improve the way their consumers engage and transact, mitigate fraud and security risk, lower operational costs and adapt to changing business requirements. CyberSource's global footprint lets merchants accept payments in more than 190 countries and territories around the world and includes a broad choice of acquirer and processor partners, payment types and hardware components.

This year, we announced the acquisition of Payworks, a point-of-sale software solution that enables acquirers to support merchant terminal payments via the cloud, helping merchants seamlessly and quickly implement new functionality, designed to create better customer experiences and lower merchant operating costs. Payworks will add in-store payment processing capabilities to CyberSource's ecommerce payment platform to create a fully integrated omni-channel payment acceptance solution.

Visa also completed the acquisition of Verifi, a leader in technology solutions to reduce chargebacks. Verifi's technology enables the quick resolution of disputes by connecting issuers to the data of more than 25,000 merchants as soon as an account holder calls with an issue. This tool reduces costs and time spent for all stakeholders in a disputed transaction.

4. Foundational

The foundations of our business are our technology, security, brand and talent.

The graphic features a dark blue header bar at the top. Below it, the word "Foundational" is written in a light blue font on the left side. The main content is organized into four vertical columns, each representing a pillar of the business. Each column has a yellow icon at the top, a title in bold, and a descriptive sentence below. The columns are: 1. Technology: icon of server racks, title "Technology", description "6 data centers worldwide". 2. Security & Privacy: icon of a shield with a padlock, title "Security & Privacy", description "AI and deep learning monitor network and threats aimed at company". 3. Brand: icon of the Visa logo, title "Brand", description "Only top sponsor brand of the NFL, FIFA, International Olympic Committee and International Paralympic Committee". 4. Talent: icon of a person silhouette, title "Talent", description "19,500 employees in 76 countries". A yellow footer bar is at the bottom.

Technology

Visa's technology platform consists of software, hardware, data centers and a vast telecommunications infrastructure, each with a distinct architecture and operational footprint wrapped with several layers of security and protection technologies. Together, these systems deliver the secure, convenient and reliable service that our clients and consumers expect of the Visa brand.

Software

As part of our global technology environment, we build and securely operate hundreds of commercial applications using a diverse set of technologies. Our software powers the core functions of our transaction processing — including authorization, clearing and settlement, and risk scoring — as well as all of our value-added services. These applications together work to provide essential services to the payments ecosystem.

Hardware

We rely on a diverse array of sophisticated infrastructure systems that are tailored to our services. Visa's infrastructure is designed and configured with layers of redundancies. We have multiple instances of our software running on separate pieces of hardware, which is designed to provide continuous availability. Our disaster recovery capabilities are tiered so that our real-time transaction processing services can be continuously available.

Data Centers

Visa operates six data centers that are a critical part of our global processing environment and are built with the capacity to support Visa's growing power, cooling and space needs. All of our data centers have high redundancy of network connectivity, power and cooling designed to provide continuous availability of systems. We are continuing to reduce the carbon footprint of our data centers by deploying efficiency improvement strategies, including LED lighting, variable airflow automation controls and hot-and-cold air containment technologies.

Telecommunications

We connect our clients and partners to Visa's data centers through a massive telecommunications network covering more than 10 million route miles. Each network node is connected through redundant links, designed to provide high levels of security, availability and performance for our products and services.

Security

In parallel with our role in advancing the security of the broader payments ecosystem, Visa remains committed to championing cybersecurity. Our multifaceted security approach includes deploying security tools that help keep our clients and consumers safe, while providing solutions that make Visa the best way to pay and be paid.

We invest significantly in our comprehensive approach to cybersecurity at Visa. We deploy security technologies to protect against data confidentiality, integrity and availability risks, emphasizing core cybersecurity capabilities to minimize risk exposure. Our in-depth security approach applies multiple layers of protection to reduce the risk of any single control failing. These measures include the following:

- A formal program to devalue sensitive and/or personal data through various cryptographic means
- Embedded security in the software development lifecycle
- Identity and access management controls to protect against unauthorized access
- Development of advanced cyber detection and response capabilities

For example, Visa uses AI and deep learning technology to monitor our network and understand the threats aimed at our company. Our platform collects billions of security logs each day, providing insight across the network and within our infrastructure. We combine this data with external intelligence on attacks observed outside of our data centers and network. Using machine learning tools, we focus on the events that appear to pose a risk, enabling our cybersecurity team to intervene. We operate this platform globally, with teams in multiple time zones detecting and responding 24x7x365.

Brand

The Visa brand is one of the world's most recognized, trusted and valuable brands. Anchored on the notion that Visa is "Everywhere You Want To Be," the Visa brand stands for acceptance, security, convenience, speed and reliability. In recognition of its strength among clients and consumers, the Visa brand consistently ranks highly in multiple brand studies, including #1 on Forbes World's Best Regarded Companies (2019), #5 on BrandZ Top 100 Most Valuable Global Brands (2019), Forbes World's Most Valuable Brands and Interbrand's Best Global Brands, among others.

Our brand strength helps us to deliver added value to financial institutions, merchants, clients and partners through compelling brand expressions, a wide-range of products and services and innovative marketing efforts. In a consumer study by Visa in 16 countries, when consumers see the Visa logo, they are 3.5 times more likely to think the website is more secure.

In fiscal year 2019, we renewed our 25-year relationship with the National Football League, and continued our global sponsorship of FIFA, the International Olympic Committee and the International Paralympic Committee. Visa is the only brand in the world that is a top sponsor of these properties, and is also the largest sponsor of women's football in the world. At the upcoming Olympic and Paralympic Games Tokyo 2020, this opportunity will be on full display when we will use our brand and technology to bring Japan's vision for a future of digital payments to life.

Talent

Visa's workforce continues to grow, increasing from approximately 17,000 employees in fiscal year 2018 to 19,500 employees in fiscal year 2019. This growth has been fueled in part by acquisitions, with growth in the regions outpacing growth in the San Francisco Bay Area. At the end of fiscal year 2019, Visa's global workforce was 59 percent male and 41 percent female. Increasing the representation of women and under-represented minorities remain an area of focus for management. Visa's commitment to diversity recruiting includes partnering with organizations such as AfroTech, AnitaB.org, Catalyst, Diversity Best Practices, the National Society of Black Engineers, the Society of Hispanic Professional Engineers, Watermark - Silicon Valley Conference for Women, Women in CyberSecurity, Women in Payments and many others to support and develop a diverse talent pipeline. Visa is committed to pay equity for employees doing similar work, regardless of gender, race or ethnicity, and conducts pay equity analyses on an annual basis.

We assess employee engagement through our annual employee survey, which provides feedback on a variety of topics, such as company direction and strategy, diversity and inclusion, individual development, collaboration and trust. For the second year in a row, we had an exceptional response rate of 95 percent with improvement in the survey results across the board and no items with notably declining scores.

INTELLECTUAL PROPERTY

We own and manage the Visa brand, which stands for acceptance, security, convenience, speed and reliability. Our portfolio of Visa-owned trademarks are important to our business. Generally, trademark registrations are valid indefinitely as long as they are in use and/or maintained. We give our clients access to these assets through agreements with our issuers and acquirers, which authorize the use of our trademarks in connection with their participation in our payments network. We also own a number of patents, patent applications and other intellectual property relating to payment solutions, transaction processing, security systems and other matters. We rely on a combination of patent, trademark, copyright and trade secret laws in the U.S. and other jurisdictions, as well as confidentiality procedures and contractual provisions, to protect our proprietary technology.

COMPETITION

The global payments industry continues to undergo dynamic change. Existing and emerging competitors compete with Visa's network and payment solutions for consumers and for participation by financial institutions and merchants. Technology and innovation are shifting consumer habits and driving growth opportunities in ecommerce, mobile payments, blockchain technology and digital currencies. These advances are enabling new entrants, many of which depart from traditional network payment models. In certain countries, the evolving regulatory landscape is changing how we compete, creating local networks or enabling additional processing competition.

We compete against all forms of payment. This includes paper-based payments, primarily cash and checks, and all forms of electronic payments. Our electronic payment competitors principally include:

Global or Multi-Regional Networks: These networks typically offer a range of branded, general purpose card payment products that can be used at millions of merchant locations around the world. Examples include Mastercard, American Express, Discover, JCB and UnionPay. These competitors may be more concentrated in specific geographic regions, such as JCB in Japan and Discover in the U.S., or have a leading position in certain countries. For example, UnionPay operates the sole domestic card acceptance mark in China and is expanding into other global markets. See *Item 1A — Risk Factors — Regulatory Risks — Government-imposed restrictions on international payment systems may prevent us from competing against providers in certain countries, including significant markets such as China, India and Russia*. Based on available data, Visa is one of the largest retail electronic funds transfer networks used throughout the world. The following chart compares our network with these network competitors for calendar year 2018⁽⁴⁾:

	Visa	Mastercard	American Express	JCB	Diners Club
Payments Volume (\$B)	8,449	4,338	1,169	283	172
Total Volume (\$B)	11,380	5,901	1,184	290	187
Total Transactions (B)	188	103	8	4	3
Cards (M)	3,359	2,022	114	127	63

⁽⁴⁾ MasterCard, American Express, JCB and Discover/Diners Club data sourced from The Nilson Report issue 1154 (May 2019). Mastercard excludes Maestro and Cirrus figures. American Express, Diners Club/Discover, and JCB include business from third-party issuers. JCB figures include other payment-related products and some figures are estimates.

Local and Regional Networks: Operated in many countries, these networks often have the support of government influence or mandate. In some cases, they are owned by financial institutions. These networks typically focus on debit payment products and may have strong local acceptance, and recognizable brands. Examples include STAR, NYCE, and Pulse in the U.S., Interac in Canada, EFTPOS in Australia and Mir in Russia.

Alternate Payment Providers: These providers often have a primary focus of enabling payments through ecommerce and mobile channels, but are expanding or may expand their offerings to the physical point of sale. These companies may process payments using in-house account transfers between parties, electronic funds transfer networks like the ACH, global or local networks like Visa, or some combination of the foregoing. In some cases, these entities are both a partner and a competitor to Visa.

ACH and Real Time Payment (RTP) Networks: These networks are often governed by local regulations. Primarily focused on interbank transfers, many are adding capabilities that may make them more competitive for retail payments. We also compete with closed-loop payment systems, emerging payments networks, wire transfers and electronic benefit transfers.

Payment Processors: We compete with payment processors for the processing of Visa transactions. These processors may benefit from mandates requiring them to handle processing under local regulation. For example, as a result of regulation in Europe under the Interchange Fee Regulation (IFR), we may face competition from other networks, processors and other third-parties who could process Visa transactions directly with issuers and acquirers.

We believe our fundamental value proposition of acceptance, security, convenience, speed and reliability offers us a key competitive advantage. We succeed in part because we understand the needs of the individual markets in which we operate and partner with local financial institutions, merchants, fintechs, governments, non-governmental organizations and business organizations to provide tailored solutions. We believe Visa is well-positioned competitively due to our global brand, our broad set of Visa-branded payment products and our proven track record of processing payment transactions securely and reliably through VisaNet.

SEASONALITY

We generally do not experience any pronounced seasonality in our business. No individual quarter of fiscal 2019 or fiscal 2018 accounted for more than 30 percent of our net revenues in those years.

WORKING CAPITAL

Payments settlement due to and from our financial institution clients can represent a substantial daily working capital requirement. Most U.S. dollar settlements are settled within the same day and do not result in a receivable or payable balance, while settlement in currencies other than the U.S. dollar generally remain outstanding for one to two business days, which is consistent with industry practice for such transactions.

GOVERNMENT REGULATION

As a global payments technology company, we are subject to complex and evolving global regulations in the various jurisdictions in which our products and services are used. The most significant government regulations that impact our business are discussed below. For further discussion of how global regulations may impact our business, see *Item 1A-Risk Factors-Regulatory Risks*.

Anti-Corruption, Anti-Money Laundering, Anti-Terrorism and Sanctions: We are subject to anti-corruption laws and regulations, including the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and other laws that generally prohibit the making or offering of improper payments to foreign government officials and political figures for the purpose of obtaining or retaining business or to gain an unfair business advantage. We are also subject to anti-money laundering and anti-terrorist financing laws and regulations, including the U.S. Bank Secrecy Act. In addition, we are subject to economic and trade sanctions programs administered by the Office of Foreign Assets Control (OFAC) in the U.S. Therefore, we do not permit financial institutions or other entities that are domiciled in countries or territories subject to comprehensive OFAC trade sanctions (currently, Cuba, Iran, North Korea, Syria and Crimea), or that are included on OFAC's list of Specially Designated Nationals and Blocked Persons, to issue or acquire Visa cards or engage in transactions using our services.

Government-Imposed Market Participation and Restrictions: Certain governments, including China, India, Indonesia, Russia, Thailand and Vietnam, have taken actions to promote domestic payments systems and/or certain issuers, payments networks or processors, by imposing regulations that favor domestic providers, impose local ownership requirements on processors, require data localization or mandate domestic processing be done in that country.

Interchange Rates and Fees: An increasing number of jurisdictions around the world regulate or influence debit and credit interchange reimbursement rates in their regions. For example, the Dodd-Frank Wall Street Reform and Consumer Act (Dodd-Frank Act) in the U.S. limits interchange reimbursement rates for certain debit card transactions, the European Union's (EU) IFR limits interchange rates in Europe (as discussed below) and the Reserve Bank of Australia and the Central Bank of Brazil regulate average permissible levels of interchange.

Internet Transactions: Many jurisdictions have adopted regulations that require payments system participants to monitor, identify, filter, restrict or take other actions with regard to certain types of payment transactions on the Internet, such as gambling and the purchase of cigarettes or alcohol.

Network Exclusivity and Routing: In the U.S., the Dodd-Frank Act limits network exclusivity and preferred routing arrangements for the debit and prepaid market segments. Other jurisdictions impose similar limitations, such as the IFR's prohibition in Europe on restrictions that prevent multiple payment brands or functionality on the same card.

No-surcharge Rules: We have historically enforced rules that prohibit merchants from charging higher prices to consumers who pay using Visa products instead of other means. However, merchants' ability to surcharge varies by geographic market as well as Visa product type, and continues to be impacted by litigation, regulation and legislation.

Privacy and Data Protection: Aspects of our operations or business are subject to privacy, data use and data security regulations, which impact the way we use and handle data, operate our products and services and even impact our ability to offer a product or service. In addition, regulators are proposing new laws or regulations that could require Visa to adopt certain cybersecurity and data-handling practices, create new individual privacy rights and impose increased obligations on companies handling personal data.

Supervisory Oversight of the Payments Industry: Visa is subject to financial sector oversight and regulation in substantially all of the jurisdictions in which we operate. In the U.S., for example, the Federal Financial Institutions Examination Council (FFIEC) has supervisory oversight over Visa under applicable federal banking laws and policies as a technology service provider to U.S. financial institutions. The federal banking agencies comprising the FFIEC are the Federal Reserve Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the National Credit Union Administration. Visa also may be separately examined by the Bureau of Consumer Financial Protection as a service provider to the banks that issue Visa-branded consumer credit and debit card products. Central banks in other countries/regions, including Europe, Russia, Ukraine and the United Kingdom (as discussed below), have recognized or designated Visa as a retail payment system under various types of financial stability regulations. Visa is also subject to oversight by banking and financial sector authorities in other jurisdictions, such as Brazil and Hong Kong.

European Regulations and Supervisory Oversight: Visa in Europe continues to be subject to complex and evolving regulation in the European Economic Area (EEA). Visa Europe is designated as a Recognized Payment System in the United Kingdom, bringing it within the scope of the Bank of England's supervisory powers and subject to various requirements, including on issues such as governance and risk management designed to maintain the stability of the United Kingdom's financial system. Visa Europe is also subject to the European Central Bank's oversight, whose main focus is on the smooth operation of payment systems in the Euro area, including the security, operational reliability, and business continuity of the payment systems. Furthermore, Visa Europe is regulated by the United Kingdom's Payment Systems Regulator (PSR), which has wide ranging powers and authority to review our business practices, systems, rules and fees with respect to promoting competition and innovation in the United Kingdom, and ensuring payments meet account holder needs. The PSR is also the regulator responsible for monitoring Visa Europe's compliance with the IFR in the United Kingdom. The IFR regulates interchange rates within Europe, requires Visa Europe to separate its payment card scheme activities from processing activities for accounting, organization, and decision-making purposes within the EU and imposes limitations on network exclusivity and routing. National competent authorities in the EU are responsible for monitoring and enforcing the IFR in their markets.

There are other regulations in the European Union that impact our business, as discussed above, including privacy and data protection, anti-bribery, anti-money laundering, anti-terrorism and sanctions. Other recent regulatory changes in Europe, such as the second Payment Services Directive (PSD2), require, among other things, that our financial institution clients provide certain customer account access rights to emerging non-financial institution players. PSD2 also includes strong customer authentication requirements for certain transactions that could impose both operational complexity on Visa and negatively impact consumer payment experiences.

As discussed in *Item 1A — Risk Factors — Business Risks — The United Kingdom's withdrawal from the European Union could harm our business and financial results*, Brexit could lead to further legal and regulatory complexity in Europe.

Additional Regulatory Developments: Various regulatory agencies also continue to examine a wide variety of other issues, including mobile payment transactions, tokenization, access rights for non-financial institutions, money transfer, identity theft, account management guidelines, disclosure rules, security and marketing that could affect our financial institution clients and us. Furthermore, following the passage of PSD2 in Europe, several countries, including Australia, Brazil, Canada, Hong Kong and Mexico, are contemplating granting various types of access rights to third-party processors, including access to consumer account data maintained by our financial institution clients, which could have implications for our business as well.

AVAILABLE INFORMATION

Visa Inc. was incorporated in Delaware in May 2007, and we completed our initial public offering in March 2008. Prior to 2007 when Visa was reorganized, Visa served its member financial institutions through Visa International and regional member-owned associations (e.g., Visa U.S.A. Inc. and Visa Canada Corporation). As part of the 2007 reorganization, these associations became a part of Visa Inc. in October 2007, with the exception of Visa Europe Limited, which continued to operate as an association until our acquisition in June 2016. Please see *Item 8. Financial Statements and Supplementary Data-Notes to the Consolidated Financial Statements-Note 14-Stockholders' Equity* for information regarding our capital structure.

Our corporate website is <http://corporate.visa.com>. Our annual reports on Form 10-K, our quarterly reports on Form 10-Q, our current reports on Form 8-K, proxy statements and any amendments to those reports filed or furnished pursuant to the Securities Exchange Act of 1934, as amended, can be viewed at <http://www.sec.gov> and our investor relations website at <http://investor.visa.com> as soon as reasonably practicable after these materials are electronically filed with or furnished to the U.S. Securities and Exchange Commission (SEC). In addition, we routinely post financial and other information, which could be deemed to be material to investors, on our investor relations website. Information regarding our corporate responsibility and sustainability initiatives are also available on our website at <http://www.visa.com/responsibility>. The content of any of our websites referred to in this report is not incorporated by reference into this report or any other filings with the SEC.

ITEM 1A. Risk Factors

Regulatory Risks

We are subject to complex and evolving global regulations that could harm our business and financial results.

As a global payments technology company, we are subject to complex and evolving regulations that govern our operations. See *Item 1—Business—Government Regulation* for more information on the most significant areas of regulation that affect our business. The impact of these regulations on us, our clients, and other third parties could limit our ability to enforce our payments system rules; require us to adopt new rules or change existing rules; affect our existing contractual arrangements; increase our compliance costs; require us to make our technology or intellectual property available to third parties, including competitors, in an undesirable manner; and reduce our revenue opportunities. As discussed in more detail below, we may face differing rules and regulations in matters like interchange reimbursement rates, preferred routing, domestic processing requirements, currency conversion, point-of-sale transaction rules and practices, privacy, data use or protection, licensing requirements, and associated product technology. As a result, the Visa operating rules and our other contractual commitments may differ from country to country or by product offering. Complying with these and other regulations increases our costs and could reduce our revenue opportunities.

If widely varying regulations come into existence worldwide, we may have difficulty rapidly adjusting our product offerings, services, fees and other important aspects of our business in the regions where we operate. Our compliance programs and policies are designed to support our compliance with a wide array of regulations and laws, such as anti-money laundering, anti-corruption, competition, privacy and sanctions, and we continually enhance our compliance programs as regulations evolve. However, we cannot guarantee that our practices will be deemed compliant by all applicable regulatory authorities. In the event our controls should fail or we are found to be out of compliance for other reasons, we could be subject to monetary damages, civil and criminal penalties, litigation, investigations and proceedings, and damage to our global brands and reputation. Furthermore, the evolving and increased regulatory focus on the payments industry could negatively impact or reduce the number of Visa products our clients issue, the volume of payments we process, our revenues, our brands, our competitive positioning, our ability to use our intellectual property to differentiate our products and services, the quality and types of products and services we offer, the countries in which our products are used, and the types of consumers and merchants who can obtain or accept our products, all of which could harm our business.

Increased scrutiny and regulation of the global payments industry, including with respect to interchange reimbursement fees, merchant discount rates, operating rules, risk management protocols and other related practices, could harm our business.

Regulators around the world have been establishing or increasing their authority to regulate certain aspects of the payments industry. See *Item 1. Business —Government Regulation* for more information. In the U.S. and many other jurisdictions, we have historically set default interchange reimbursement fees. Even though we generally do not receive any revenue related to interchange reimbursement fees in a payment transaction (in the context of credit and debit transactions, those fees are paid by the acquirers to the issuers; the reverse is true for certain transactions like ATM), interchange reimbursement fees are a factor on which we compete with other payments providers and are therefore an important determinant of the volume of transactions we process. Consequently, changes to these fees, whether voluntarily or by mandate, can substantially affect our overall payments volumes and revenues.

Interchange reimbursement fees, certain operating rules and related practices continue to be subject to increased government regulation globally, and regulatory authorities and central banks in a number of jurisdictions have reviewed or are reviewing these fees, rules, and practices. For example, regulations adopted by the U.S. Federal Reserve cap the maximum U.S. debit interchange reimbursement rate received by large financial institutions at 21 cents plus 5 basis points per transaction, plus a possible fraud adjustment of 1 cent. The Dodd-Frank Act also limits issuers' and our ability to adopt network exclusivity and preferred routing in the debit and prepaid area, which also impacts our business. The EU's IFR places an effective cap on consumer credit and consumer debit interchange fees for both domestic and cross-border transactions within the EEA (30 basis points and 20 basis points, respectively). EU member states have the ability to further reduce these interchange levels within their territories. Furthermore, the European Commission is in the process of conducting an impact assessment of the IFR, which could potentially result in lower and/or additional interchange fee caps and restrictions. Countries in other parts of the world, including the Latin America region have either adopted or are exploring interchange caps. For example, in March 2017, Argentina's central bank passed regulations that cap interchange fees on credit and debit transactions. In March 2018, Brazil adopted interchange caps on debit transactions.

When we cannot set default interchange reimbursement rates at optimal levels, issuers and acquirers may find our payments system less attractive. This may increase the attractiveness of other payments systems, such as our competitors' closed-loop payments systems with direct connections to both merchants and consumers. We believe some issuers may react to such regulations by charging new or higher fees, or reducing certain benefits to consumers, which make our products less appealing to consumers. Some acquirers may elect to charge higher merchant discount rates regardless of the Visa interchange reimbursement rate, causing merchants not to accept our products or to steer customers to alternate payments systems or forms of payment. In addition, in an effort to reduce the expense of their payment programs, some issuers and acquirers have obtained, and may continue to obtain, incentives from us, including reductions in the fees that we charge, which may directly impact our revenues.

In addition to the regulation of interchange reimbursement fees, a number of regulators impose restrictions on other aspects of our payments business. For example, many governments including, but not limited to governments in India and Turkey are using regulation to further drive down merchant discount rates, which could negatively affect the economics of our transactions. Some countries in Latin America, like Peru and Chile are relying on antitrust driven regulatory actions that can have implications for how the payments ecosystem and four party model operate. The Payment System Regulator's review of the acquiring market in the United Kingdom could lead to additional regulatory pressure on our business. With increased merchant lobbying, we could also begin to see regulatory interest in network fees. Government regulations or pressure may also require us to allow other payments networks to support Visa products or services, or to have the other network's functionality or brand marks on our products. As innovations in payment technology have enabled us to expand into new products and services, they have also expanded the potential scope of regulatory influence. For instance, new products and capabilities, including tokenization, push payments, and non-card based payment flows (e.g., B2B Connect) could bring increased licensing or authorization requirements in the countries where the product or capability is offered. In addition, the European Union's requirement to separate scheme and processing adds costs and impacts the execution of our commercial, innovation and product strategies.

We are also subject to central bank oversight in some markets, including, Brazil, Russia, the United Kingdom and within the European Union. This oversight could result in new governance, reporting, licensing, cybersecurity, processing infrastructure, capital, or credit risk management requirements. We could also be required to adopt policies and practices designed to mitigate settlement and liquidity risks, including increased requirements to maintain sufficient levels of capital and financial resources locally, as well as localized risk management or governance. Increased central bank oversight could also lead to new or different criteria for participation in and access to our payments system, including allowing non-traditional financial technology companies to act as issuers or acquirers. Additionally, regulators in other jurisdictions are considering or adopting approaches based on similar regulatory principles.

Finally, regulators around the world increasingly take note of each other's approaches to regulating the payments industry. Consequently, a development in one jurisdiction may influence regulatory approaches in another. The risks created by a new law, regulation or regulatory outcome in one jurisdiction have the potential to be replicated and to negatively affect our business in another jurisdiction or in other product offerings. For example, our settlement with the European Commission on cross-border interchange rates could draw the attention of regulators in other parts of the world. Similarly, new regulations involving one product offering may prompt regulators to extend the regulations to other product offerings. For example, credit payments could become subject to similar regulation as debit payments (or vice versa). For instance, the Reserve Bank of Australia initially capped credit interchange, but subsequently capped debit interchange as well.

Government-imposed restrictions on international payment systems may prevent us from competing against providers in certain countries, including significant markets such as China, India and Russia.

Governments in a number of jurisdictions shield domestic payment card networks, brands, and processors from international competition by imposing market access barriers and preferential domestic regulations. To varying degrees, these policies and regulations affect the terms of competition in the marketplace and undermine the competitiveness of international payments networks. In the future, public authorities may impose regulatory requirements that favor domestic providers or mandate that domestic payments processing be performed entirely within that country, which would prevent us from managing the end-to-end processing of certain transactions.

In Russia, legislation effectively prevents us from processing domestic transactions. The central bank controlled national payment card system (NSPK) is the only entity allowed to process domestically. In China, UnionPay remains the sole processor of domestic payment card transactions and operates the sole domestic acceptance mark. Although we have filed an application with the People's Bank of China (PBOC) to operate a Bank Card Clearing Institution (BCCI) in China, the timing and the procedural steps remain uncertain. The approval process might require several years, and there is no guarantee that the license to operate a BCCI will be approved or, if we obtain such license, that we will be able to successfully compete with domestic payments networks.

Recent regulatory initiatives in India also suggest growing nationalistic priorities, including a data localization mandate passed by the government, which has cost implications for us and could affect our ability to effectively compete with domestic payment providers. Furthermore, regional groups of countries, such as the Gulf Cooperation Countries in the Middle East and a number of countries in Southeast Asia, are considering, or may consider, efforts to restrict our participation in the processing of regional transactions. The African Development Bank has also indicated an interest in supporting national payment systems in its efforts to expand financial inclusion and strengthen regional financial stability. Geopolitical events, including sanctions, trade tensions or other types of activities could potentially intensify any or all of these activities, which could adversely affect our business.

Due to our inability to manage the end-to-end processing of transactions for cards in certain countries (e.g., Russia and Thailand), we depend on our close working relationships with our clients or third-party processors to ensure transactions involving our products are processed effectively. Our ability to do so may be adversely affected by regulatory requirements and policies pertaining to transaction routing or on-shore processing.

Co-badging and co-residency regulations may pose additional challenges in markets where Visa competes with national networks for issuance and routing. For example, in China, certain banks have issued dual-branded cards for which domestic transactions in China are processed by UnionPay and transactions outside of China are processed by us or other international payments networks. The PBOC is contemplating that dual-branded cards could be phased out over time as new licenses are issued to international companies to participate in China's domestic payments market. Accordingly, we have been working with Chinese issuers to issue Visa-only branded cards for international travel, and later for domestic transactions after we obtain a BCCI license. However, notwithstanding such efforts, the phase out of dual-branded cards may decrease our payment volumes and impact the revenue we generate in China.

Mir and UnionPay have grown rapidly in Russia and China, respectively, and are actively pursuing international expansion plans, which could potentially lead to regulatory pressures on our international routing rule (which requires that international transactions on Visa cards be routed over VisaNet). Furthermore, although regulatory barriers shield Mir and UnionPay from competition in Russia and China, respectively, alternate payment providers such as Alipay and WeChat Pay have rapidly expanded into ecommerce, offline, and cross-border payments, which could make it difficult for us to compete even if our license is approved in China. Recently, with strong backing from China's government, a new digital transaction routing system known as Netlink was established. The PBOC allowed Alipay and other digital payment providers to invest in Netlink. It and other such systems could have a competitive advantage in comparison with other international payments networks.

In general, national laws that protect domestic providers or processing may increase our costs; decrease our payments volumes and impact the revenue we generate in those countries; decrease the number of Visa products issued or processed; impede us from utilizing our global processing capabilities and controlling the quality of the services supporting our brands; restrict our activities; limit our growth and the ability to introduce new products, services and innovations; force us to leave countries or prevent us from entering new markets; and create new competitors, all of which could harm our business.

Laws and regulations regarding the handling of personal data and information may impede our services or result in increased costs, legal claims, or fines against us.

Our business relies on the processing of data in many jurisdictions and the movement of data across national borders. Legal requirements relating to the collection, storage, handling, use, disclosure, transfer, and security of personal data continue to evolve, and regulatory scrutiny in this area is increasing around the world. Significant uncertainty exists as privacy and data protection laws may be interpreted and applied differently from country to country and may create inconsistent or conflicting requirements. For example, the EU's General Data Protection Regulation (GDPR) extends the scope of the EU data protection law to all companies processing data of EU residents, regardless of the company's location. The law requires companies to meet new requirements regarding the handling of personal data. Although we have an extensive data privacy program that addresses the GDPR requirements, our ongoing efforts to comply with GDPR and other privacy and data protection laws (such as the new California Consumer Privacy Act effective as of January 2020 and the Brazilian General Data Protection Law effective as of February 2020) may entail substantial expenses, may divert resources from other initiatives and projects, and could limit the services we are able to offer. In addition, India has adopted a data localization law that requires all payment system operators to store domestic transaction data only in India. Such data localization requirements have cost implications for us, impact our ability to utilize the efficiencies and value of our global network, and could affect our strategy. Furthermore, enforcement actions and investigations by regulatory authorities related to data security incidents and privacy violations continue to increase. The enactment of more restrictive laws, rules, regulations, or future enforcement actions or investigations could impact us through increased costs or restrictions on our business, and noncompliance could result in regulatory penalties and significant legal liability.

We may be subject to tax examinations or disputes, or changes in tax laws.

We exercise significant judgment in calculating our worldwide provision for income taxes and other tax liabilities. Although we believe our tax estimates are reasonable, many factors may limit their accuracy. We are currently under examination by, or in disputes with, the U.S. Internal Revenue Service, the UK's HM Revenue & Customs as well as tax authorities in other jurisdictions, and we may be subject to additional examinations or disputes in the future. Relevant tax authorities may disagree with our tax treatment of certain material items and thereby increase our tax liability. Failure to sustain our position in these matters could harm our cash flow and financial position. In addition, changes in existing laws in the U.S. or foreign jurisdictions, or changes resulting from the Organization for Economic Cooperation and Development Program of Work, related to the revision of profit allocation and nexus rules and global base-erosion proposal, may also materially affect our effective tax rate. A substantial increase in our tax payments could have a material, adverse effect on our financial results. See also *Note 19—Income Taxes* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Litigation Risks

We may be adversely affected by the outcome of litigation or investigations, despite certain protections that are in place.

We are involved in numerous litigation matters, investigations, and proceedings asserted by civil litigants, governments, and enforcement bodies alleging, among other things, violations of competition and antitrust law, consumer protection law, and intellectual property law (these are referred to as "actions" in this section). Details of the most significant actions we face are described more fully in *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report. These actions are inherently uncertain, expensive, and disruptive to our operations. In the event we are found liable in any material action, particularly in a large class action lawsuit, such as one involving an antitrust claim entitling the plaintiff to treble damages, or we incur liability arising from a government investigation, we may be required to pay significant awards, settlements, or fines. In addition, settlement terms, judgments, or pressures resulting from actions may harm our business by requiring us to modify, among other things, the default interchange reimbursement rates we set, the Visa operating rules or the way in which we enforce those rules, our fees or pricing, or the way we do business. These actions or their outcomes may also influence regulators, investigators, governments, or civil litigants in the same or other jurisdictions, which may lead to additional actions against Visa. Finally, we are required by some of our commercial agreements to indemnify other entities for litigation brought against them, even if Visa is not a defendant.

For certain actions like those that are U.S. covered litigation or VE territory covered litigation, as described in *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report, we have certain financial protections pursuant to the respective retrospective responsibility plans. The two retrospective responsibility plans are different in the protections they provide and the mechanisms by which we are protected. The failure of one or both of the retrospective responsibility plans to adequately insulate us from the impact of such settlements, judgments, losses, or liabilities could materially harm our financial condition or cash flows, or even cause us to become insolvent.

Business Risks

We face intense competition in our industry.

The global payments space is intensely competitive. As technology evolves, new competitors or methods of payment emerge, and existing clients and competitors assume different roles. Our products compete with cash, checks, electronic funds, virtual currency payments, global or multi-regional networks, other domestic and closed-loop payments systems, and alternative payment providers primarily focused on enabling payments through ecommerce and mobile channels. As the global payments space becomes more complex, we face increasing competition from our clients, other emerging payment providers such as fintechs, and other digital payments and technology companies that have developed payments systems enabled through online activity in ecommerce and mobile channels.

Our competitors may develop substantially better technology, have more widely adopted delivery channels or have greater financial resources. They may offer more effective, innovative or a wider range of programs, products, and services. They may use more effective advertising and marketing strategies that result in broader brand recognition, and greater issuance and merchant acceptance. They may also develop better security solutions or more favorable pricing arrangements. Moreover, even if we successfully adapt to technological change and the proliferation of alternative types of payment services by developing and offering our own services in these areas, such services may provide less favorable financial terms for us than we currently receive from VisaNet transactions, which could hurt our financial results and prospects.

Certain of our competitors operate with different business models, have different cost structures, or participate in different market segments. Those business models may ultimately prove more successful or more adaptable to regulatory, technological, and other developments. In some cases, these competitors have the support of government mandates that prohibit, limit, or otherwise hinder our ability to compete for transactions within certain countries and regions. Some of our competitors, including American Express, Discover, private-label card networks, virtual currency providers, technology companies that enable the exchange of digital assets, and certain alternate payments systems like Alipay and WeChat Pay, operate closed-loop payments systems, with direct connections to both merchants and consumers. Government actions or initiatives such as the Dodd-Frank Act or the U.S. Federal Reserve's FedNow initiatives may provide competitors with increased opportunities to derive competitive advantages from these business models, and may create new competitors, including in some cases the government itself. Similarly, regulation in Europe under PSD2 and the IFR may require us to open up access to, and allow participation in, our network to additional participants, and reduce the infrastructure investment and regulatory burden on competitors. We also run the risk of disintermediation due to factors such as emerging technologies, including mobile payments, alternate payment credentials, other ledger technologies or payment forms, and by virtue of increasing bilateral agreements between entities that prefer not to use our payments network for processing transactions. For example, merchants could process transactions directly with issuers, or processors could process transactions directly with issuers and acquirers.

We expect the competitive landscape to continue to shift and evolve. For example:

- competitors, clients, network participants, and others are developing or participating in alternate payment networks or products, such as mobile payment services, ecommerce payment services, P2P payment services, real-time and faster payment initiatives and payment services that permit ACH or direct debits from consumer checking accounts, that could reduce our role or otherwise disintermediate us from the transaction processing or the value-added services we provide to support such processing. Examples include initiatives from The Clearing House, an association consisting of large financial institutions that has developed its own faster payments system; Early Warning Services, which operates Zelle, a bank-offered alternative network that provides another platform for faster funds or real-time payments across a variety of payment types, including P2P, corporate and government disbursement, bill pay and deposit check transactions; and the Libra Association, which seeks to launch a new stablecoin crypto-currency (Libra Coin) and global blockchain-based payments network;

- similarly, many countries are developing or promoting domestic networks, switches and real-time payment systems. To the extent these governments mandate local banks and merchants to use and accept these systems for domestic transactions and/or prohibit international payment networks, like Visa, from participating on those systems, we could face the risk of our business being disintermediated in those countries. Furthermore, in some regions, such as Southeast Asia, under the auspices of the Association of Southeast Asian Nations (ASEAN), some countries are looking into cross-border connectivity of such domestic systems;
- parties that process our transactions may try to minimize or eliminate our position in the payments value chain;
- parties that access our payment credentials, tokens and technologies, including clients, technology solution providers or others might be able to migrate account holders and other clients to alternate payment methods or use our payment credentials, tokens and technologies to establish or help bolster alternate payment methods and platforms;
- participants in the payments industry may merge, form joint ventures or enable or enter into other business combinations that strengthen their existing business propositions or create new, competing payment services; and
- new or revised industry standards related to EMV Secure Remote Commerce, cloud-based payments, tokenization or other payments-related technologies set by organizations such as the International Organization for Standardization, American National Standards Institute, World Wide Web Consortium, European Card Standards Group, PCI Co and EMVCo may result in additional costs and expenses for Visa and its clients, or otherwise negatively impact the functionality and competitiveness of our products and services.

As the competitive landscape is quickly evolving, we may not be able to foresee or respond sufficiently to emerging risks associated with new businesses, products, services and practices. We may be asked to adjust our local rules and practices, develop or customize certain aspects of our payment services, or agree to business arrangements that may be less protective of Visa's proprietary technology and interests in order to compete and we may face increasing operational costs and risk of litigation concerning intellectual property. Our failure to compete effectively in light of any such developments could harm our business and prospects for future growth.

Our revenues and profits are dependent on our client and merchant base, which may be costly to win, retain, and maintain.

Our financial institution clients and merchants can reassess their commitments to us at any time or develop their own competitive services. While we have certain contractual protections, our clients, including some of our largest clients, generally have flexibility to issue non-Visa products. Further, in certain circumstances, our financial institution clients may decide to terminate our contractual relationship on relatively short notice without paying significant early termination fees. Because a significant portion of our net revenues is concentrated among our largest clients, the loss of business from any one of these larger clients could harm our business, results of operations, and financial condition.

In addition, we face intense competitive pressure on the prices we charge our financial institution clients. In order to stay competitive, we may need to adjust our pricing or offer incentives to our clients to increase payments volume, enter new market segments, adapt to regulatory changes, and expand their use and acceptance of Visa products and services. These include up-front cash payments, fee discounts, rebates, credits, performance-based incentives, marketing, and other support payments that impact our revenues and profitability. In addition, we offer incentives to certain merchants or acquirers to win routing preference in situations where other network functionality is enabled on our products and there is a choice of network routing options. Market pressures on pricing, incentives, fee discounts, and rebates could moderate our growth. If we are not able to implement cost containment and productivity initiatives in other areas of our business or increase our volumes in other ways to offset or absorb the financial impact of these incentives, fee discounts, and rebates, it may harm our net revenues and profits.

In addition, it may be difficult or costly for us to acquire or conduct business with financial institutions or merchants that have longstanding exclusive, or nearly exclusive, relationships with our competitors. These financial institutions or merchants may be more successful and may grow more quickly than our existing clients or merchants. In addition, if there is a consolidation or acquisition of one or more of our largest clients or co-brand partners by a financial institution client or merchant with a strong relationship with one of our competitors, it could result in our business shifting to a competitor, which could put us at a competitive disadvantage and harm our business.

Merchants' and processors' continued push to lower acceptance costs and challenge industry practices could harm our business.

We rely in part on merchants and their relationships with our clients to maintain and expand the acceptance of Visa products. Certain large retail merchants have been exercising their influence in the global payments system in certain jurisdictions, such as the U.S., Canada and Europe, to attempt to lower their acceptance costs by lobbying for new legislation, seeking regulatory enforcement, filing lawsuits and in some cases, refusing to accept Visa products. If they are successful in their efforts, we may face increased compliance and litigation expenses and issuers may decrease their issuance of our products. For example, in the U.S., certain stakeholders have raised concerns regarding how payment security standards and rules may impact the cost of payment card acceptance. In addition to ongoing litigation related to the U.S. migration to EMV-capable cards and point-of-sale terminals, U.S. merchant-affiliated groups and processors have expressed concerns regarding the EMV certification process and some policymakers have concerns about the roles of industry bodies such as EMVCo and the Payment Card Industry Security Standards Council in the development of payment card standards. Additionally, some merchants and processors have advocated for changes to industry practices and Visa acceptance requirements at the point of sale, including the ability for merchants to accept only certain types of Visa products, to mandate only PIN authenticated transactions, to differentiate or steer among Visa product types issued by different financial institutions, and to impose surcharges on customers presenting Visa products as their form of payment. If successful, these efforts could adversely impact consumers' usage of our products, lead to regulatory enforcement and/or litigation, increase our compliance and litigation expenses, and harm our business.

We depend on relationships with financial institutions, acquirers, processors, merchants, and other third parties.

As noted above, our relationships with industry participants are complex and require us to balance the interests of multiple third parties. For instance, we depend significantly on relationships with our financial institution clients and on their relationships with account holders and merchants to support our programs and services, and thereby compete effectively in the marketplace. We engage in discussions with merchants, acquirers, and processors to provide incentives to promote routing preference and acceptance growth. We also engage in many payment card co-branding efforts with merchants, who receive incentives from us. As emerging participants such as fintechs enter the payments industry, we engage in discussions to address the role they may play in the ecosystem, whether as, for example, an issuer, merchant, or digital wallet provider. As these and other relationships become more prevalent and take on a greater importance to our business, our success will increasingly depend on our ability to sustain and grow these relationships. In addition, we depend on our clients and third parties, including vendors and suppliers, to process transactions properly, provide various services associated with our payments network on our behalf, and otherwise adhere to our operating rules. To the extent that such parties fail to perform or deliver adequate services, it may result in negative experiences for account holders or others when using their Visa-branded payment products, which could harm our business and reputation.

Our business could be harmed if we are not able to maintain and enhance our brand, if events occur that have the potential to damage our brand or reputation, or if we experience brand disintermediation.

Our brand is globally recognized and is a key asset of our business. We believe that our clients and account holders associate our brand with acceptance, security, convenience, speed, and reliability. Our success depends in large part on our ability to maintain the value of our brand and reputation of our products and services in the payments ecosystem, elevate the brand through new and existing products, services and partnerships, and uphold our corporate reputation. The popularity of products that we have developed in partnership with technology companies and financial institutions may have the potential to cause consumer confusion or brand disintermediation at the point-of-sale and decrease the value of our brand. Our brand reputation may be negatively impacted by a number of factors, including authorization, clearing and settlement service disruptions; data security breaches; compliance failures by Visa, including our employees, agents, clients, partners or suppliers; negative perception of our industry, the industries of our clients or Visa-accepting merchants; ill-perceived actions by clients, partners or other third parties, such as sponsorship or co-brand partners; and fraudulent, risky, controversial or illegal activities using our payment products. If we are unable to maintain our reputation, the value of our brand may be impaired, which could harm our relationships with clients, account holders, and the public, as well as impact our business.

Global economic, political, market, and social events or conditions may harm our business.

Our revenues are dependent on the volume and number of payment transactions made by consumers, governments, and businesses whose spending patterns may be affected by prevailing economic conditions. In addition, more than half of our net revenues are earned outside the U.S. International cross-border transaction revenues represent a significant part of our revenue and are an important part of our growth strategy. Therefore, adverse macroeconomic conditions, including recessions, inflation, high unemployment, currency fluctuations, actual or anticipated large-scale defaults or failures, or slowdown of global trade could decrease consumer and corporate confidence and reduce consumer, government, and corporate spending which have a direct impact on our revenues. In addition, outbreaks of illnesses, pandemics, or other local or global health issues, political uncertainties, international hostilities, armed conflict, or unrest, and natural disasters could impact our operations, our clients, our activities in a particular location, and cross-border travel and spend. Geopolitical trends towards nationalism, protectionism, and restrictive visa requirements, as well as continued activity and uncertainty around economic sanctions could limit the expansion of our business in those regions. The current trade environment reduces the likelihood of having our Bank Card Clearing Institution application in China approved. In addition, any decline in cross-border travel and spend could impact the number of cross-border transactions we process and our currency exchange activities, which in turn would reduce our international transaction revenues.

A decline in economic conditions could impact our clients as well, and their decisions could reduce the number of cards, accounts, and credit lines of their account holders, which ultimately impact our revenues. They may also implement cost-reduction initiatives that reduce or eliminate marketing budgets, and decrease spending on optional or enhanced, value-added services from us.

Any events or conditions that impair the functioning of the financial markets, tighten the credit market, or lead to a downgrade of our current credit rating could increase our future borrowing costs and impair our ability to access the capital and credit markets on favorable terms, which could affect our liquidity and capital resources, or significantly increase our cost of capital. If clients default on their settlement obligations, it may also impact our liquidity. Any of these events could adversely affect our volumes and revenue.

Our indemnification obligation to fund settlement losses of our clients exposes us to significant risk of loss and may reduce our liquidity.

We indemnify issuers and acquirers for settlement losses they may suffer due to the failure of another issuer or acquirer to honor its settlement obligations in accordance with the Visa operating rules. In certain instances, we may indemnify issuers or acquirers in situations in which a transaction is not processed by our system. This indemnification creates settlement risk for us due to the timing difference between the date of a payment transaction and the date of subsequent settlement. Our indemnification exposure is generally limited to the amount of unsettled Visa payment transactions at any point in time and any subsequent amounts that may fall due relating to adjustments for previously processed transactions. Concurrent settlement failures involving more than one of our largest clients, several of our smaller clients, or systemic operational failures could negatively impact our financial position. Even if we have sufficient liquidity to cover a settlement failure, we may be unable to recover the amount of such payment. This could expose us to significant losses and harm our business. See *Note 11—Settlement Guarantee Management* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

The United Kingdom’s withdrawal from the European Union could harm our business and financial results.

In June 2016, voters in the United Kingdom approved the withdrawal of the United Kingdom from the European Union (commonly referred to as “Brexit”). In March 2017, the UK government initiated the exit process under Article 50 of the Treaty of the European Union, commencing a period of up to two years for the United Kingdom and the other EU member states to negotiate the terms of the withdrawal, which was subsequently postponed until January 31, 2020. Uncertainty over the terms of the United Kingdom’s departure from the European Union could cause political and economic uncertainty in the United Kingdom and the rest of Europe, which could harm our business and financial results.

Brexit could lead to legal uncertainty and potentially divergent national laws and regulations in the United Kingdom and European Union. We, as well as our clients who have significant operations in the United Kingdom, may incur additional costs and expenses as we adapt to potentially divergent regulatory frameworks from the rest of the European Union and as a result, our Visa operating rules and contractual commitments in the United Kingdom and the rest of the European Union may be impacted. In addition, applications may need to be made for regulatory authorization and permission in separate EU member states following Brexit. These factors may impact our ability to operate and process data in the European Union and United Kingdom seamlessly. This and other Brexit-related issues may require changes to our legal entity structure and/or operations in the United Kingdom and the European Union. Any of these effects of Brexit, among others, could harm our business and financial results.

Technology and Cybersecurity Risks

Failure to anticipate, adapt to or keep pace with new technologies in the payments industry could harm our business and impact future growth.

The global payments industry is undergoing significant and rapid technological change, including mobile and other proximity payment technologies, ecommerce, tokenization, cryptocurrencies, and new authentication technologies such as biometrics, distributed ledger and blockchain technologies. As a result, we expect new services and technologies to continue to emerge and evolve. In addition to our own initiatives and innovations, we work closely with third parties, including potential competitors, for the development of and access to new technologies. It is difficult, however, to predict which technological developments or innovations will become widely adopted and how those technologies may be regulated. Moreover, some of the new technologies could be subject to intellectual property-related lawsuits or claims, potentially impacting our development efforts and/or requiring us to obtain licenses. If we or our partners fail to adapt and keep pace with new technologies in the payments space in a timely manner, it could harm our ability to compete, decrease the value of our products and services to our clients, impact our intellectual property or licensing rights, harm our business and impact our future growth.

A disruption, failure or breach of our networks or systems, including as a result of cyber-attacks, could harm our business.

Our cybersecurity and processing systems, as well as those of financial institutions, merchants, and third-party service providers, have experienced in limited instances and may continue to experience errors, interruptions, delays or damage from a number of causes, including power outages, hardware, software and network failures, computer viruses, malware or other destructive software, internal design, manual or usage errors, cyber-attacks, terrorism, workplace violence or wrongdoing, catastrophic events, natural disasters and severe weather conditions.

Furthermore, our visibility and role in the global payments industry may also put our company at a greater risk of being targeted by hackers. In the normal course of our business, we have been the target of malicious cyber-attack attempts. We have been and may continue to be impacted by attacks and data security breaches of financial institutions, merchants, or third-party processors. We are also aware of instances where nation states have sponsored attacks against some of our financial institution clients, and other instances where merchants and issuers have encountered substantial data security breaches affecting their customers, some of whom were Visa account holders. Such attacks and breaches have resulted, and may continue to result in, fraudulent activity and ultimately, financial losses to Visa's clients, and it is difficult to predict the direct or indirect impact of future attacks or breaches to our business.

Numerous and evolving cybersecurity threats, including advanced and persistent cyber-attacks, phishing and social engineering schemes, particularly on our internet applications, could compromise the confidentiality, availability, and integrity of data in our systems or the systems of our third-party service providers. Because the techniques used to obtain unauthorized access, or to disable or degrade systems change frequently, have become increasingly more complex and sophisticated, and may be difficult to detect for periods of time, we may not anticipate these acts or respond adequately or timely. The security measures and procedures we, our financial institution and merchant clients, other merchants and third-party service providers in the payments ecosystem have in place to protect sensitive consumer data and other information may not be successful or sufficient to counter all data security breaches, cyber-attacks, or system failures. In some cases, the mitigation efforts may be dependent on third parties who may not deliver to the required contractual standards or whose hardware, software or network services may be subject to error, defect, delay, or outage. Although we devote significant resources to our cybersecurity and supplier risk management programs and have implemented security measures to protect our systems and data, and to prevent, detect and respond to data security incidents, there can be no assurance that our efforts will prevent these threats.

These events could significantly disrupt our operations; impact our clients and consumers; damage our reputation and brand; result in litigation or claims, violations of applicable privacy and other laws, and regulatory scrutiny, investigations, actions, fines or penalties; result in damages or changes to our business practices; decrease the overall use and acceptance of our products; decrease our volume, revenues and future growth prospects; and be costly, time consuming and difficult to remedy. In the event of damage or disruption to our business due to these occurrences, we may not be able to successfully and quickly recover all of our critical business functions, assets, and data through our business continuity program. Furthermore, while we maintain insurance, our coverage may not sufficiently cover all types of losses or claims that may arise.

Structural and Organizational Risks

We may not achieve the anticipated benefits of our acquisitions or strategic investments, and may face risks and uncertainties as a result.

As part of our overall business strategy, we make acquisitions and strategic investments. We may not achieve the anticipated benefits of our current and future acquisitions and strategic investments and they may involve significant risks and uncertainties, including:

- disruption to our ongoing business, including diversion of resources and management's attention from our existing business
- greater than expected investment of resources or operating expenses
- failure to develop the acquired business adequately
- the data security, cybersecurity and operational resilience posture of our acquired companies, or companies we invest in or partner with, may not be adequate
- difficulty, expense or failure of implementing controls, procedures and policies at the acquired company
- challenges of integrating new employees, business cultures, business systems and technologies
- failure to retain employees, clients or partners of the acquired business
- in the case of foreign acquisitions, risks related to the integration of operations across different cultures and languages
- the economic, political and regulatory risks associated with operating in new businesses, regions or countries. For more information on regulatory risks, please see *Item 1—Business—Government Regulations* and *Item 1A—Risk Factors—Regulatory Risks* above
- discovery of unidentified issues and related liabilities after the acquisition or investment was made
- failure to mitigate the deficiencies and liabilities of the acquired business
- dilutive issuance of equity securities, if new securities are issued
- the incurrence of debt
- negative impact on our financial position and/or statement of operations
- anticipated benefits, synergies or value of the investment or acquisition not materializing

We may be unable to attract, hire, and retain a highly qualified and diverse workforce, including key management.

The talents and efforts of our employees, particularly our key management, are vital to our success. Our management team has significant industry experience and would be difficult to replace. We may be unable to retain them or to attract other highly qualified employees, particularly if we do not offer employment terms that are competitive with the rest of the labor market. Ongoing changes in laws and policies regarding immigration and work authorizations have made it more difficult for employees to work in, or transfer among, jurisdictions in which we have operations and could continue to impair our ability to attract and retain qualified employees. Failure to attract, hire, develop, motivate, and retain highly qualified and diverse employee talent, to develop and implement an adequate succession plan for the management team, or to maintain a corporate culture that fosters integrity, innovation, and collaboration could disrupt our operations and adversely affect our business and our future success.

The conversions of our class B and class C common stock or series B and series C preferred stock into shares of class A common stock would result in voting dilution to, and could impact the market price of, our existing class A common stock.

The market price of our class A common stock could fall as a result of many factors. Under our U.S. retrospective responsibility plan, upon final resolution of our U.S. covered litigation, all class B common stock will become convertible into class A common stock. Our series B and series C preferred stock will become convertible into class A common stock in stages based on developments in current and potential litigation and will become fully convertible no later than 2028 (subject to a holdback to cover any pending claims). Conversion of our class B and class C common stock into class A common stock, or our series B and series C preferred stock into class A common stock, would increase the amount of class A common stock outstanding, which could adversely affect the market price of our existing class A common stock and would dilute the voting power of existing class A common stockholders.

Holders of our class B and C common stock and series B and series C preferred stock may have different interests than our class A common stockholders concerning certain significant transactions.

Although their voting rights are limited, holders of our class B and C common stock and, in certain specified circumstances, holders of our series B and series C preferred stock, can vote on certain significant transactions. With respect to our class B and C common stock, these transactions include a proposed consolidation or merger, a decision to exit our core payments business and any other vote required under Delaware law. With respect to our series B and series C preferred stock, voting rights are limited to proposed consolidations or mergers in which holders of the series B and series C preferred stock would either (i) receive shares of stock or other equity securities with preferences, rights and privileges that are not substantially identical to the preferences, rights and privileges of the applicable series of preferred stock or (ii) receive securities, cash or other property that is different from what our class A common stockholders would receive. Because the holders of classes of capital stock other than class A common stock are our current and former financial institution clients, they may have interests that diverge from our class A common stockholders. As a result, the holders of these classes of capital stock may not have the same incentive to approve a corporate action that may be favorable to the holders of class A common stock, and their interests may otherwise conflict with interests of our class A common stockholders.

Delaware law, provisions in our certificate of incorporation and bylaws, and our capital structure could make a merger, takeover attempt, or change in control difficult.

Provisions contained in our certificate of incorporation and bylaws and our capital structure could delay or prevent a merger, takeover attempt, or change in control that our stockholders may consider favorable. For example, except for limited exceptions:

- no person may beneficially own more than 15% of our class A common stock (or 15% of our total outstanding common stock on an as-converted basis), unless our board of directors approves the acquisition of such shares in advance
- no competitor or an affiliate of a competitor may hold more than 5% of our total outstanding common stock on an as-converted basis
- the affirmative votes of the class B and C common stock and series B and series C preferred stock are required for certain types of consolidations or mergers
- our stockholders may only take action during a stockholders' meeting and may not act by written consent
- only the board of directors, Chairman, or CEO may call a special meeting of stockholders

ITEM 1B. Unresolved Staff Comments

Not applicable.

ITEM 2. Properties

At September 30, 2019, we owned or leased 131 offices in 76 countries around the world. Our corporate headquarters are located in owned and leased premises in the San Francisco Bay Area.

In addition, we owned or leased a total of four global processing centers located in the U.S., Singapore and the United Kingdom.

We believe that these facilities are suitable and adequate to support our ongoing business needs.

ITEM 3. Legal Proceedings

Refer to *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our class A common stock has been listed on the New York Stock Exchange under the symbol “V” since March 19, 2008. At November 8, 2019, we had 348 stockholders of record of our class A common stock. The number of beneficial owners is substantially greater than the number of record holders, because a large portion of our class A common stock is held in “street name” by banks and brokers. There is currently no established public trading market for our class B or C common stock. There were 1,397 and 509 holders of record of our class B and C common stock, respectively, as of November 8, 2019.

On October 22, 2019, our board of directors declared a quarterly cash dividend of \$0.30 per share of class A common stock (determined in the case of class B and C common stock and series B and C preferred stock on an as-converted basis) payable on December 3, 2019, to holders of record as of November 15, 2019 of our common and preferred stock.

Subject to legally available funds, we expect to continue paying quarterly cash dividends on our outstanding common and preferred stock in the future. However, the declaration and payment of future dividends is at the sole discretion of our board of directors after taking into account various factors, including our financial condition, settlement indemnifications, operating results, available cash and current and anticipated cash needs.

Issuer Purchases of Equity Securities

The table below sets forth our purchases of common stock during the quarter ended September 30, 2019.

Period	Total Number Of Shares Purchased	Average Price Paid Per Share	Total Number Of Shares Purchased As Part Of Publicly Announced Plans Or Programs ^{(1),(2)}	Approximate Dollar Value Of Shares That May Yet Be Purchased Under The Plans Or Programs ^{(1),(2)}
July 1-31, 2019	3,680,103	\$ 179.32	3,680,103	\$ 5,502,430,029
August 1-31, 2019	4,064,795	\$ 176.17	4,064,795	\$ 4,786,268,909
September 1-30, 2019	4,479,497	\$ 176.61	4,479,497	\$ 3,995,051,745
Total	12,224,395	\$ 177.28	12,224,395	

⁽¹⁾ The figures in the table reflect transactions according to the trade dates. For purposes of our consolidated financial statements included in this Form 10-K, the impact of these repurchases is recorded according to the settlement dates.

⁽²⁾ Our board of directors from time to time authorizes the repurchase of shares of our common stock up to a certain monetary limit. In January 2019, our board of directors authorized a share repurchase program for \$8.5 billion. This authorization has no expiration date. All share repurchase programs authorized prior to January 2019 have been completed.

EQUITY COMPENSATION PLAN INFORMATION

The table below presents information as of September 30, 2019, for the Visa 2007 Equity Incentive Compensation Plan (the “EIP”) and the Visa Inc. Employee Stock Purchase Plan (the “ESPP”), which were approved by our stockholders. We do not have any equity compensation plans that have not been approved by our stockholders. For a description of the awards issued under the EIP and the ESPP, see *Note 16—Share-based Compensation* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Plan Category	(a) Number Of Shares Of Class A Common Stock Issuable Upon Exercise Of Outstanding Options And Rights	Weighted-Average Exercise Price Of Outstanding Options	Number Of Shares Of Class A Common Stock Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Shares Reflected In Column (a))
Equity compensation plans approved by stockholders	12,330,718 ⁽¹⁾ \$	90.18 ⁽²⁾	158,435,270 ⁽³⁾

⁽¹⁾ The maximum number of shares issuable as of September 30, 2019 consisted of 5,714,658 outstanding options, 5,166,759 outstanding restricted stock units and 1,070,690 outstanding performance shares under the EIP and 378,611 purchase rights outstanding under the ESPP.

⁽²⁾ The weighted-average exercise price is calculated based solely on the exercise prices of the outstanding stock options and does not reflect the shares that will be issued upon the vesting of outstanding restricted stock units and performance shares, which have no exercise price. Additionally, it excludes the weighted-average exercise price of the outstanding purchase rights under the ESPP, as the exercise price is based on the future stock price, net of discount, at the end of each monthly purchase over the offering period.

⁽³⁾ As of September 30, 2019, 142 million shares and 16 million shares remain available for issuance under the EIP and the ESPP, respectively.

ITEM 6. Selected Financial Data

The following tables present selected Visa Inc. financial data for the past five fiscal years. The data below should be read in conjunction with *Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations* and *Item 8—Financial Statements and Supplementary Data* of this report.

Selected Financial Data

	For the Years Ended September 30,				
Statement of Operations Data:	2019 ⁽¹⁾	2018 ⁽¹⁾	2017 ⁽¹⁾	2016 ⁽¹⁾	2015
	(in millions, except per share data)				
Net revenues	\$ 22,977	\$ 20,609	\$ 18,358	\$ 15,082	\$ 13,880
Operating expenses	\$ 7,976	\$ 7,655	\$ 6,214	\$ 7,199 ⁽²⁾	\$ 4,816
Operating income	\$ 15,001	\$ 12,954	\$ 12,144	\$ 7,883	\$ 9,064
Net income	\$ 12,080	\$ 10,301 ⁽³⁾	\$ 6,699 ⁽⁴⁾	\$ 5,991	\$ 6,328
Basic earnings per share—class A common stock	\$ 5.32	\$ 4.43	\$ 2.80	\$ 2.49	\$ 2.58
Diluted earnings per share—class A common stock	\$ 5.32	\$ 4.42	\$ 2.80	\$ 2.48	\$ 2.58

	At September 30,				
Balance Sheet Data:	2019 ⁽¹⁾	2018 ⁽¹⁾	2017 ⁽¹⁾	2016 ⁽¹⁾	2015
	(in millions, except per share data)				
Total assets	\$ 72,574	\$ 69,225	\$ 67,977	\$ 64,035	\$ 39,367
Accrued litigation	\$ 1,203 ⁽⁵⁾	\$ 1,434 ⁽⁵⁾	\$ 982	\$ 981	\$ 1,024
Long-term debt	\$ 16,729	\$ 16,630	\$ 16,618 ⁽⁶⁾	\$ 15,882 ⁽⁶⁾	\$ —
Total equity	\$ 34,684	\$ 34,006	\$ 32,760	\$ 32,912	\$ 29,842
Dividend declared and paid per common share	\$ 1.000	\$ 0.825	\$ 0.660	\$ 0.560	\$ 0.480

⁽¹⁾ Our results of operations and the financial position beginning with the last quarter of fiscal 2016 include Visa Europe’s financial results.

⁽²⁾ During fiscal 2016, upon consummation of the Visa Europe acquisition, we recorded a non-recurring loss of \$1.9 billion, before tax, in operating expense resulting from the effective settlement of the Framework Agreement between us and Visa Europe.

⁽³⁾ During fiscal 2018, as a result of the U.S. tax reform legislation, our net income reflected a lower statutory tax rate, a non-recurring, non-cash income tax benefit of approximately \$1.1 billion from the remeasurement of our deferred tax liabilities, and a one-time transition tax of approximately \$1.1 billion.

⁽⁴⁾ During fiscal 2017, in connection with our legal entity reorganization, we eliminated deferred tax balances originally recognized upon the acquisition of Visa Europe, resulting in the recognition of a non-recurring, non-cash income tax provision of \$1.5 billion.

⁽⁵⁾ During fiscal 2018, pursuant to an amended settlement agreement that superseded the 2012 Settlement Agreement related to the interchange multidistrict litigation, we recorded an accrual of \$600 million. During fiscal 2019, related to the interchange multidistrict litigation, we made payments of \$600 million, partially offset by an additional accrual of \$370 million. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

⁽⁶⁾ During fiscal 2017 and fiscal 2016, we issued fixed-rate senior notes in an aggregate principal amount of \$2.5 billion and \$16.0 billion, respectively. See *Note 9—Debt* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

This management’s discussion and analysis provides a review of the results of operations, financial condition and liquidity and capital resources of Visa Inc. and its subsidiaries (“Visa,” “we,” “us,” “our” and the “Company”) on a historical basis and outlines the factors that have affected recent earnings, as well as those factors that may affect future earnings. The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes included in Item 8—Financial Statements and Supplementary Data of this report.

Overview

Visa is a global payments technology company that enables fast, secure and reliable electronic payments across more than 200 countries and territories. We facilitate global commerce through the transfer of value and information among a global network of consumers, merchants, financial institutions, businesses, strategic partners and government entities. Our advanced transaction processing network, VisaNet, enables authorization, clearing and settlement of payment transactions and allows us to provide our financial institution and merchant clients a wide range of products, platforms and value-added services.

Financial overview. Our as-reported U.S. GAAP and non-GAAP net income and diluted earnings per share are as follows:

	For the Years Ended September 30,			% Change ⁽¹⁾	
	2019	2018	2017	2019 vs. 2018	2018 vs. 2017
	(in millions, except percentages and per share data)				
Net income, as reported	\$ 12,080	\$ 10,301	\$ 6,699	17%	54%
Diluted earnings per share, as reported	\$ 5.32	\$ 4.42	\$ 2.80	20%	58%
Non-GAAP net income ⁽²⁾	\$ 12,367	\$ 10,729	\$ 8,335	15%	29%
Non-GAAP diluted earnings per share ⁽²⁾	\$ 5.44	\$ 4.61	\$ 3.48	18%	32%

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. Percentage changes are calculated based on unrounded numbers.

⁽²⁾ Non-GAAP net income and non-GAAP diluted earnings per share in fiscal 2019, 2018 and 2017 exclude the impact of certain significant items that we believe are not indicative of our operating performance in these or future periods, as they are either non-recurring or have no cash impact. For a full reconciliation of our non-GAAP financial results, see tables in *Non-GAAP financial results* below.

Highlights for fiscal 2019. Our business is affected by overall economic conditions and consumer spending. Our business performance during fiscal 2019 reflects continued global consumer spending growth amidst uneven global economic conditions. We recorded net revenues of \$23.0 billion for fiscal 2019, an increase of 11% over the prior year, primarily reflecting continued growth in nominal payments volume, nominal cross-border volume and processed transactions. Exchange rate movements in fiscal 2019, partially mitigated by our hedging program, negatively impacted our net revenues growth by approximately one-and-a-half percentage points.

Total operating expenses for fiscal 2019 were \$8.0 billion, compared to \$7.7 billion in fiscal 2018. The increase over the prior year was primarily driven by higher personnel and marketing as we continue to invest in growing our business, offset by a lower litigation provision.

Non-GAAP financial results. Our financial results for fiscal 2019, 2018 and 2017 reflect the impact of certain significant items that we do not believe are indicative of our ongoing operating performance in these or future periods, as they are either non-recurring or have no cash impact. As such, we believe the presentation of our non-GAAP financial results excluding the following items provides a clearer understanding of our operating performance for the periods presented.

- *Litigation provision.* During fiscal 2019 and 2018, we recorded a litigation provision of \$370 million and \$600 million, respectively, and related tax benefits of \$83 million and \$137 million, respectively, associated with the interchange multidistrict litigation. The tax impact is determined by applying applicable federal and state tax rates to the litigation provision. Under the U.S. retrospective responsibility plan, we recover the monetary liabilities related to the U.S. covered litigation through a reduction to the conversion rate of our class B common stock to shares of class A common stock. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.
- *Charitable contributions*
 - During fiscal 2018, we donated investment securities to the Visa Foundation and recognized a non-cash general and administrative expense of \$195 million, before tax, and recorded \$193 million of realized gain on the donation of these investments as non-operating income. Net of the related cash tax benefit of \$51 million, determined by applying applicable tax rates, adjusted net income decreased by \$49 million.
 - During fiscal 2017, associated with our legal entity reorganization, we recognized a non-cash general and administrative expense of \$192 million, before tax, related to the charitable donation of Visa Inc. shares that were acquired as part of the Visa Europe acquisition and held as treasury stock. Net of the related cash tax benefit of \$71 million, determined by applying applicable tax rates, adjusted net income increased by \$121 million.
- *Remeasurement of deferred tax balances.* During fiscal 2018, in connection with the Tax Cuts and Jobs Act (the “Tax Act”) reduction of the corporate income tax rate, we remeasured our net deferred tax liabilities as of the enactment date, resulting in the recognition of a non-recurring, non-cash income tax benefit of \$1.1 billion. See *Note 19—Income Taxes* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.
- *Transition tax on foreign earnings.* During fiscal 2018, in connection with the Tax Act requirement that we include certain untaxed foreign earnings of non-U.S. subsidiaries in our fiscal 2018 taxable income, we recorded a one-time transition tax estimate of approximately \$1.1 billion. See *Note 19—Income Taxes* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.
- *Elimination of deferred tax balances.* During fiscal 2017, in connection with our legal entity reorganization, we eliminated deferred tax balances originally recognized upon the acquisition of Visa Europe, resulting in the recognition of a non-recurring, non-cash income tax provision of \$1.5 billion. See *Note 19—Income Taxes* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.

Non-GAAP operating expenses, operating margin, non-operating income (expense), income before income taxes, income tax provision, effective income tax rate, net income and diluted earnings per share should not be relied upon as substitutes for measures calculated in accordance with U.S. GAAP. The following tables reconcile our as-reported financial measures calculated in accordance with U.S. GAAP to the respective non-GAAP financial measures for fiscal 2019, 2018 and 2017:

Year ended September 30, 2019								
Operating Expenses	Operating Margin (1),(2)	Non-operating Income (Expense)	Income Before Income Taxes	Income Tax Provision	Effective Income Tax Rate ⁽²⁾	Net Income	Diluted Earnings Per Share ⁽²⁾	
(in millions, except percentages and per share data)								
As reported	\$ 7,976	65%	\$ (117)	\$ 14,884	\$ 2,804	18.8%	\$ 12,080	\$ 5.32
Litigation provision	(370)	2%	—	370	83		287	0.13
Non-GAAP	\$ 7,606	67%	\$ (117)	\$ 15,254	\$ 2,887	18.9%	\$ 12,367	\$ 5.44

Year ended September 30, 2018								
Operating Expenses	Operating Margin (1),(2)	Non-operating Income (Expense)	Income Before Income Taxes	Income Tax Provision	Effective Income Tax Rate ⁽²⁾	Net Income	Diluted Earnings Per Share ⁽²⁾	
(in millions, except percentages and per share data)								
As reported	\$ 7,655	63%	\$ (148)	\$ 12,806	\$ 2,505	19.6%	\$ 10,301	\$ 4.42
Charitable contribution	(195)	1%	(193)	2	51		(49)	(0.02)
Litigation provision	(600)	3%	—	600	137		463	0.20
Remeasurement of deferred tax balances	—	—%	—	—	1,133		(1,133)	(0.49)
Transition tax on foreign earnings	—	—%	—	—	(1,147)		1,147	0.49
Non-GAAP	\$ 6,860	67%	\$ (341)	\$ 13,408	\$ 2,679	20.0%	\$ 10,729	\$ 4.61

Year ended September 30, 2017								
Operating Expenses	Operating Margin (1),(2)	Non-operating Income (Expense)	Income Before Income Taxes	Income Tax Provision	Effective Income Tax Rate ⁽²⁾	Net Income	Diluted Earnings Per Share ⁽²⁾	
(in millions, except percentages and per share data)								
As reported	\$ 6,214	66%	\$ (450)	\$ 11,694	\$ 4,995	42.7%	\$ 6,699	\$ 2.80
Charitable contribution	(192)	1%	—	192	71		121	0.05
Elimination of deferred tax balances	—	—%	—	—	(1,515)		1,515	0.63
Non-GAAP	\$ 6,022	67%	\$ (450)	\$ 11,886	\$ 3,551	29.9%	\$ 8,335	\$ 3.48

⁽¹⁾ Operating margin is calculated as operating income divided by net revenues.

⁽²⁾ Figures in the table may not recalculate exactly due to rounding. Operating margin, effective income tax rate, diluted earnings per share and their respective totals are calculated based on unrounded numbers.

Interchange multidistrict litigation. During fiscal 2019, we recorded an additional accrual of \$370 million to address claims associated with the interchange multidistrict litigation, resulting in an accrued litigation balance related to U.S. covered litigation of \$1.2 billion at September 30, 2019. We also deposited \$300 million of operating cash into the U.S. litigation escrow account. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.

Reduction in as-converted shares. During fiscal 2019, total as-converted class A common stock was reduced by 58 million shares at an average price of \$154.62 per share. Of the 58 million shares, 56 million were repurchased in the open market using \$8.6 billion of operating cash on hand. Additionally, in September 2019, we deposited \$300 million of operating cash into the litigation escrow account previously established under the U.S. retrospective responsibility plan. Also, we recovered \$8 million of VE territory covered losses in accordance with the Europe retrospective responsibility plan during fiscal 2019. The deposit and recovery have the same economic effect on earnings per share as repurchasing our class A common stock because they reduce the class B common stock conversion rate and the UK&I and Europe preferred stock conversion rates and consequently, reduce the as-converted class A common stock share count. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 14—Stockholders’ Equity* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.

Common stock repurchases. In January 2019, our board of directors authorized an additional \$8.5 billion share repurchase program. As of September 30, 2019, the program had remaining authorized funds of \$4.1 billion for share repurchase. All share repurchase programs authorized prior to January 2019 have been completed. See *Note 14—Stockholders’ Equity* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.

Payments volume and processed transactions. Payments volume is the primary driver for our service revenues, and the number of processed transactions is the primary driver for our data processing revenues. During the three months ended December 31, 2018, we updated our definition of payments volume to now include all disbursement volume related to Visa Direct, in addition to the funding volume previously included. All prior periods presented have been adjusted accordingly. Please refer to the Operational Performance Data section of Exhibit 99.1 on Form 8-K filed on January 30, 2019 for more details on the impact from this update in payments volume definition.

Nominal payments volume over the prior year posted low double-digit growth in the U.S. and in line with 2018 growth. Nominal international payments volume growth of 3% for the 12 months ended June 30, 2019⁽¹⁾ was negatively impacted by the overall strengthening of the U.S. dollar. On a constant-dollar basis, which excludes the impact of exchange rate movements, our international payments volume growth rate for the 12 months ended June 30, 2019 and 2018 was 10% and 11%, respectively. Growth in processed transactions reflects the ongoing worldwide shift to electronic payments.

The following tables⁽²⁾ present nominal payments and cash volume:

	U.S.			International			Visa Inc.		
	12 months ended June 30, ⁽¹⁾			12 months ended June 30, ⁽¹⁾			12 months ended June 30, ⁽¹⁾		
	2019	2018	% Change	2019	2018	% Change	2019	2018	% Change
	(in billions, except percentages)								
Nominal payments volume									
Consumer credit	\$ 1,540	\$ 1,441	7%	\$ 2,487	\$ 2,457	1%	\$ 4,027	\$ 3,898	3%
Consumer debit ⁽³⁾	1,702	1,521	12%	1,876	1,792	5%	3,577	3,313	8%
Commercial ⁽⁴⁾	633	564	12%	381	364	5%	1,015	927	9%
Total nominal payments volume	\$ 3,875	\$ 3,527	10%	\$ 4,744	\$ 4,612	3%	\$ 8,619	\$ 8,139	6%
Cash volume	573	563	2%	2,260	2,437	(7)%	2,833	3,000	(6)%
Total nominal volume⁽⁵⁾	\$ 4,448	\$ 4,089	9%	\$ 7,004	\$ 7,049	(1)%	\$ 11,452	\$ 11,139	3%

	U.S.			International			Visa Inc.		
	12 months ended June 30, ⁽¹⁾			12 months ended June 30, ⁽¹⁾			12 months ended June 30, ⁽¹⁾		
	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change
(in billions, except percentages)									
Nominal payments volume									
Consumer credit	\$ 1,441	\$ 1,309	10%	\$ 2,457	\$ 2,186	12%	\$ 3,898	\$ 3,495	12%
Consumer debit ⁽³⁾	1,521	1,379	10%	1,792	1,510	19%	3,313	2,888	15%
Commercial ⁽⁴⁾	564	507	11%	364	306	19%	927	812	14%
Total nominal payments volume	\$ 3,527	\$ 3,194	10%	\$ 4,612	\$ 4,002	15%	\$ 8,139	\$ 7,196	13%
Cash volume	563	544	3%	2,437	2,348	4%	3,000	2,892	4%
Total nominal volume⁽⁵⁾	\$ 4,089	\$ 3,738	9%	\$ 7,049	\$ 6,350	11%	\$ 11,139	\$ 10,088	10%

The following table⁽²⁾ presents nominal and constant payments and cash volume growth:

	International				Visa Inc.			
	12 months ended June 30, 2019 vs 2018 ⁽¹⁾		12 months ended June 30, 2018 vs 2017 ⁽¹⁾		12 months ended June 30, 2019 vs 2018 ⁽¹⁾		12 months ended June 30, 2018 vs 2017 ⁽¹⁾	
	Nominal	Constant ⁽⁶⁾	Nominal	Constant ⁽⁶⁾	Nominal	Constant ⁽⁶⁾	Nominal	Constant ⁽⁶⁾
Payments volume growth								
Consumer credit	1 %	8%	12%	9%	3 %	7%	12%	10%
Consumer debit ⁽³⁾	5 %	11%	19%	13%	8 %	12%	15%	12%
Commercial ⁽⁴⁾	5 %	13%	19%	14%	9 %	13%	14%	13%
Total payments volume growth	3 %	10%	15%	11%	6 %	10%	13%	11%
Cash volume growth	(7)%	—%	4%	2%	(6)%	—%	4%	2%
Total volume growth	(1)%	6%	11%	8%	3 %	7%	10%	8%

⁽¹⁾ Service revenues in a given quarter are assessed based on nominal payments volume in the prior quarter. Therefore, service revenues reported for the 12 months ended September 30, 2019, 2018 and 2017, were based on nominal payments volume reported by our financial institution clients for the 12 months ended June 30, 2019, 2018 and 2017, respectively.

⁽²⁾ Figures in the tables may not recalculate exactly due to rounding. Percentage changes and totals are calculated based on unrounded numbers.

⁽³⁾ Includes consumer prepaid volume and interlink volume.

⁽⁴⁾ Includes large, middle and small business credit and debit, as well as commercial prepaid volume.

⁽⁵⁾ Total nominal volume is the sum of total nominal payments volume and cash volume. Total nominal payments volume is the total monetary value of transactions for goods and services that are purchased on cards carrying the Visa, Visa Electron, Interlink and V PAY brands. Cash volume generally consists of cash access transactions, balance access transactions, balance transfers and convenience checks. Total nominal volume is provided by our financial institution clients, subject to review by Visa. On occasion, previously presented volume information may be updated. Prior period updates are not material.

⁽⁶⁾ Growth on a constant-dollar basis excludes the impact of foreign currency fluctuations against the U.S. dollar.

The following table⁽¹⁾ provides the number of transactions involving cards and other form factors carrying the Visa, Visa Electron, Interlink, VPAY and PLUS cards processed on Visa's networks during the fiscal periods presented:

	2019	2018	2017	2019 vs. 2018 % Change	2018 vs. 2017 % Change
(in millions, except percentages)					
Visa processed transactions	138,329	124,320	111,215	11%	12%

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. Percentage changes are calculated based on unrounded numbers. On occasion, previously presented information may be updated. Prior period updates are not material.

Financial Information Presentation

Net Revenues

Our net revenues are primarily generated from payments volume on Visa products for purchased goods and services, as well as the number of transactions processed on our network. We do not earn revenues from, or bear credit risk with respect to, interest or fees paid by account holders on Visa products. Our issuing clients have the responsibility for issuing cards and other payment products and determining the interest rates and fees paid by account holders. We generally do not earn revenues from the fees that merchants are charged for acceptance by acquirers, including the merchant discount rate. Our acquiring clients are generally responsible for soliciting merchants as well as establishing and earning these fees.

The following sets forth the components of our net revenues:

Service revenues consist mainly of revenues earned for services provided in support of client usage of Visa payment services. Current quarter service revenues are primarily assessed using a calculation of current quarter's pricing applied to the prior quarter's payments volume. Service revenues also include assessments designed to support ongoing acceptance and volume growth initiatives, which are recognized in the same period the related volumes are transacted.

Data processing revenues are earned for authorization, clearing, settlement, value-added services, network access and other maintenance and support services that facilitate transaction and information processing among our clients globally. Data processing revenues are recognized in the same period the related transactions occur or services are performed.

International transaction revenues are earned for cross-border transaction processing and currency conversion activities. Cross-border transactions arise when the country of origin of the issuer, or financial institution originating the transaction, is different from that of the beneficiary. International transaction revenues are recognized in the same period the cross-border transactions occur or services are performed.

Other revenues consist mainly of value-added services, license fees for use of the Visa brand or technology, account holder services, certification, licensing and product enhancements, such as extended account holder protection and concierge services. Other revenues are recognized in the same period the related transactions occur or services are performed.

Client incentives consist of incentives provided in contracts with financial institution clients, merchants and strategic partners for various programs designed to grow payments volume, increase Visa product acceptance, win merchant routing transactions over our network and drive innovation. These incentives are primarily accounted for as reductions to revenues.

Operating Expenses

Personnel expenses include salaries, employee benefits, incentive compensation, share-based compensation, severance charges and contractor expense.

Marketing expenses include expenses associated with advertising and marketing campaigns, sponsorships and other related promotions of the Visa brand.

Network and processing expenses mainly represent expenses for the operation of our processing network, including maintenance, equipment rental and fees for other data processing services.

Professional fees mainly consist of fees for consulting, legal and other professional services.

Depreciation and amortization expenses include depreciation expense for property and equipment, as well as amortization of purchased and internally developed software. Also included in this amount is amortization of finite-lived intangible assets primarily obtained through acquisitions.

General and administrative expenses consist mainly of product enhancements, facilities costs, travel activities, indirect taxes, foreign exchange gains and losses and other corporate expenses incurred in support of our business.

Litigation provision represents litigation expenses and is based on management's understanding of our litigation profile, the specifics of the cases, advice of counsel to the extent appropriate and management's best estimate of incurred loss.

Non-operating Income (Expense)

Non-operating income (expense) primarily includes interest expense, gains and losses earned on investments, income from derivative instruments not associated with our core business, as well as the non-service components of net periodic pension income and expenses.

For discussion related to the results of operations and liquidity and capital resources for fiscal 2018 compared to fiscal 2017 refer to Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our fiscal 2018 Form 10-K, filed with the United States Securities and Exchange Commission on November 16, 2018.

Results of Operations

Net Revenues

The following table sets forth our net revenues earned in the U.S. and internationally:

	For the Years Ended September 30,			\$ Change		% Change ⁽¹⁾	
	2019	2018	2017	2019 vs. 2018	2018 vs. 2017	2019 vs. 2018	2018 vs. 2017
	(in millions, except percentages)						
U.S.	\$ 10,279	\$ 9,332	\$ 8,704	\$ 947	\$ 628	10%	7%
International	12,698	11,277	9,654	1,421	1,623	13%	17%
Net revenues	\$ 22,977	\$ 20,609	\$ 18,358	\$ 2,368	\$ 2,251	11%	12%

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. Percentage changes are calculated based on unrounded numbers.

The increase in net revenues in fiscal 2019 reflects the continued growth in nominal payments volume, nominal cross-border volume, and processed transactions. The increase in revenues were partially offset by increases in client incentives in fiscal 2019.

Our net revenues are impacted by the overall strengthening or weakening of the U.S. dollar as payments volume and related revenues denominated in local currencies are converted to U.S. dollars. Exchange rate movements in fiscal 2019, as partially mitigated by our hedging program, negatively impacted our net revenues growth by approximately one-and-a-half percentage points.

The following table sets forth the components of our net revenues:

	For the Years Ended September 30,			\$ Change		% Change ⁽¹⁾	
	2019	2018	2017	2019 vs. 2018	2018 vs. 2017	2019 vs. 2018	2018 vs. 2017
	(in millions, except percentages)						
Service revenues	\$ 9,700	\$ 8,918	\$ 7,975	\$ 782	\$ 943	9%	12%
Data processing revenues	10,333	9,027	7,786	1,306	1,241	14%	16%
International transaction revenues	7,804	7,211	6,321	593	890	8%	14%
Other revenues	1,313	944	841	369	103	39%	12%
Client incentives	(6,173)	(5,491)	(4,565)	(682)	(926)	12%	20%
Net revenues	\$ 22,977	\$ 20,609	\$ 18,358	\$ 2,368	\$ 2,251	11%	12%

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. Percentage changes are calculated based on unrounded numbers.

- *Service revenues* increased primarily due to 6% growth in nominal payments volume and select pricing modifications.
- *Data processing revenues* increased mainly due to overall growth in processed transactions of 11% as well as select pricing modifications.

- *International transaction revenues* increased primarily due to nominal cross-border volume growth of 2% and select pricing modifications.
- *Other revenues* increased primarily due to changes in the classification and timing of recognition of revenue as a result of the adoption of the new revenue standard and an increase in revenues from value-added services.
- *Client incentives* increased mainly due to incentives recognized on long-term client contracts that were initiated or renewed during fiscal 2019 and overall growth in global payments volume. As a result of the adoption of the new revenue standard, client incentives were also impacted by changes in classification and timing of recognition. The amount of client incentives we record in future periods will vary based on changes in performance expectations, actual client performance, amendments to existing contracts or the execution of new contracts.

Operating Expenses

The following table sets forth the components of our total operating expenses:

	For the Years Ended September 30,			\$ Change		% Change ⁽¹⁾	
	2019	2018	2017	2019 vs. 2018	2018 vs. 2017	2019 vs. 2018	2018 vs. 2017
	(in millions, except percentages)						
Personnel	\$ 3,444	\$ 3,170	\$ 2,628	\$ 274	\$ 542	9 %	21%
Marketing	1,105	988	922	117	66	12 %	7%
Network and processing	721	686	620	35	66	5 %	11%
Professional fees	454	446	409	8	37	2 %	9%
Depreciation and amortization	656	613	556	43	57	7 %	10%
General and administrative	1,196	1,145	1,060	51	85	4 %	8%
Litigation provision	400	607	19	(207)	588	(34)%	NM
Total operating expenses⁽²⁾	\$ 7,976	\$ 7,655	\$ 6,214	\$ 321	\$ 1,441	4 %	23%

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. Percentage changes are calculated based on unrounded numbers.

⁽²⁾ Operating expenses for fiscal 2019, 2018 and 2017 include significant items that we do not believe are indicative of our operating performance as they are related to the interchange multidistrict litigation provision or charitable donations. See *Overview* within this *Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations*.

- *Personnel expenses* increased due to continued headcount growth in support of our investment strategy for future growth.
- *Marketing expenses* increased mainly due to changes in the classification and timing of recognition of certain marketing expenses as a result of the adoption of the new revenue standard. The increase was partially offset by spend for the 2018 Winter Olympics in PyeongChang and 2018 FIFA World Cup™ in fiscal 2018, which did not recur in fiscal 2019.
- *General and administrative expenses* increased primarily as a result of unfavorable foreign currency fluctuations, changes in the classification and timing of recognition of certain general and administrative expenses as a result of the adoption of the new revenue standard, higher indirect taxes, higher product enhancement costs and global facilities expansion in support of our business growth. The increase was partially offset by a \$195 million charitable contribution to the Visa Foundation in fiscal 2018, which did not recur in fiscal 2019.
- *Litigation provision* decreased primarily due to a \$370 million accrual in fiscal 2019 compared to a \$600 million accrual in fiscal 2018 related to the interchange multidistrict litigation. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Non-operating Income (Expense)

The following table sets forth the components of our non-operating income (expense):

	For the Years Ended September 30,			\$ Change		% Change ⁽¹⁾	
	2019	2018	2017	2019 vs. 2018	2018 vs. 2017	2019 vs. 2018	2018 vs. 2017
	(in millions, except percentages)						
Interest expense, net	\$ (533)	\$ (612)	\$ (563)	\$ 79	\$ (49)	(13)%	9 %
Investment income and other	416	464	113	(48)	351	(10)%	311 %
Total non-operating income (expense)	\$ (117)	\$ (148)	\$ (450)	\$ 31	\$ 302	(20)%	(67)%

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. Percentage changes are calculated based on unrounded numbers.

- *Interest expense* decreased primarily as a result of entering into derivative instruments in fiscal 2019 that lowered the average cost of borrowing on a portion of our outstanding debt. See *Note 9—Debt* and *Note 12—Derivative and Non-derivative Financial Instruments* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.
- *Investment income and other* decreased primarily due to gains of \$193 million from the donation of investment securities to the Visa Foundation in fiscal 2018 which did not recur fiscal 2019, offset by higher gains on our equity investments and interest income on our cash and investments. See *Note 6—Fair Value Measurements and Investments* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Effective Income Tax Rate

	For the Years Ended September 30,			Change	
	2019	2018	2017	2019 vs. 2018	2018 vs. 2017
Effective income tax rate	19%	20%	43%	(1)%	(23)%

The effective tax rate in fiscal 2019 differs from the effective tax rate in fiscal 2018 primarily due to:

- a decrease in federal statutory tax rate as a result of the Tax Act, from a blended rate of 24.5% in fiscal 2018 to a rate of 21% in fiscal 2019, as discussed below;
- new provisions enacted as part of the Tax Act, including the deduction for foreign-derived intangible income (“FDII”) and tax on global intangible low-tax income (“GILTI”); and
- the absence of the following items recorded in fiscal 2018:
 - a \$1.1 billion one-time transition tax expense on certain untaxed foreign earnings in accordance with the Tax Act;
 - a \$1.1 billion non-recurring, non-cash benefit from the remeasurement of deferred tax balances due to the reduction in U.S. federal tax rate enacted by the Tax Act; and
 - \$161 million of tax benefits due to various non-recurring audit settlements.

The Tax Act, enacted on December 22, 2017, transitioned the U.S. tax system to a territorial system and lowered the statutory federal corporate income tax rate from 35% to 21%. The reduction of the statutory federal corporate tax rate to 21% became effective on January 1, 2018. In fiscal 2018, our statutory federal corporate tax rate was a blended rate of 24.5%, which was reduced to 21% in fiscal 2019. The Tax Act enacted several new tax provisions effective for us on October 1, 2018, most notably FDII and GILTI.

Liquidity and Capital Resources

Management of Our Liquidity

We regularly evaluate cash requirements for current operations, commitments, development activities and capital expenditures, and we may elect to raise additional funds for these purposes in the future through the issuance of either debt or equity. Our treasury policies provide management with the guidelines and authority to manage liquidity risk in a manner consistent with our corporate objectives.

The objectives of our treasury policies are to:

- provide adequate liquidity to cover operating expenditures and liquidity contingency scenarios;
- ensure timely completion of payments settlement activities;
- ensure payments on required litigation settlements;
- make planned capital investments in our business;
- pay dividends and repurchase our shares at the discretion of our board of directors; and
- invest excess cash in securities that enable us to first meet our working capital and liquidity needs, and earn additional income.

Based on our current cash flow budgets and forecasts of our short-term and long-term liquidity needs, we believe that our projected sources of liquidity will be sufficient to meet our projected liquidity needs for more than the next 12 months. We will continue to assess our liquidity position and potential sources of supplemental liquidity in view of our operating performance, current economic and capital market conditions and other relevant circumstances.

Cash Flow Data

The following table summarizes our cash flow activity for the fiscal years presented:

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
Total cash provided by (used in):			
Operating activities	\$ 12,784	\$ 12,941	\$ 9,317
Investing activities	(591)	(3,084)	735
Financing activities	(12,061)	(10,790)	(5,924)
Effect of exchange rate changes on cash and cash equivalents	(277)	(101)	236
Increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents	<u>\$ (145)</u>	<u>\$ (1,034)</u>	<u>\$ 4,364</u>

Operating activities. Cash provided by operating activities in fiscal 2019 was positively impacted by continued growth in our underlying business. Fiscal 2019 was lower than the prior fiscal year primarily due to higher payments in the current year from the litigation escrow account and the first installment payment of the transition tax in connection with the Tax Act, partially offset by continued growth in our underlying business.

Investing activities. Cash used in investing activities in fiscal 2019 was lower than the prior year due to higher proceeds from sales and maturities of investment securities, combined with fewer purchases, partially offset by \$0.7 billion of purchase consideration paid for acquisitions, net of cash and restricted cash acquired, and \$0.5 billion of purchases of other investments.

Financing activities. Cash used in financing activities in fiscal 2019 increased primarily due to higher class A common stock repurchases, higher dividends paid and a \$1.2 billion payment of the deferred purchase consideration related to the Visa Europe acquisition. See *Note 14—Stockholders' Equity*, to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Sources of Liquidity

Our primary sources of liquidity are cash on hand, cash flow from our operations, our investment portfolio and access to various equity and borrowing arrangements. Funds from operations are maintained in cash and cash equivalents and short-term or long-term available-for-sale investment securities based upon our funding requirements, access to liquidity from these holdings and the return that these holdings provide. We believe that cash flow generated from operations, in conjunction with access to our other sources of liquidity, will be more than sufficient to meet our ongoing operational needs.

Foreign Earnings. Pursuant to the Tax Act, we are required to pay U.S. tax on most of the undistributed and untaxed foreign earnings of non-U.S. subsidiaries accumulated as of December 31, 2017. The transition tax will be paid over a period of eight years as permitted by the Tax Act. As a result of the Tax Act, we are no longer subject to incremental U.S. federal tax on foreign earnings of non-U.S. subsidiaries in the event that we repatriate these earnings back to the U.S.

Available-for-sale debt securities. Our investment portfolio is designed to invest cash in securities which enables us to meet our working capital and liquidity needs. Our investment portfolio consists of debt securities issued by the U.S. Treasury or U.S. government-sponsored agencies. The majority of these investments, \$4.1 billion, are classified as current and are available to meet short-term liquidity needs. The remaining non-current investments have stated maturities of more than one year from the balance sheet date; however, they are also generally available to meet short-term liquidity needs.

Factors that may impact the liquidity of our investment portfolio include, but are not limited to, changes to credit ratings of the securities, uncertainty related to regulatory developments, actions by central banks and other monetary authorities and the ongoing strength and quality of credit markets. We will continue to review our portfolio in light of evolving market and economic conditions. However, if current market conditions deteriorate, the liquidity of our investment portfolio may be impacted and we could determine that some of our investments are impaired, which could adversely impact our financial results. We have policies that limit the amount of credit exposure to any one financial institution or type of investment.

Commercial paper program. We maintain a commercial paper program to support our working capital requirements and for other general corporate purposes. Under the program, we are authorized to issue up to \$3.0 billion in outstanding notes, with maturities up to 397 days from the date of issuance. We had no outstanding obligations under the program at September 30, 2019. See *Note 9—Debt* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Credit facility. We have an unsecured \$5.0 billion revolving credit facility (the “Credit Facility”) which expires on July 25, 2024. There were no borrowings under the Credit Facility as of September 30, 2019. See *Note 9—Debt* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Universal shelf registration statement. In July 2018, we filed a registration statement with the SEC using a shelf registration process. As permitted by the registration statement, we may, from time to time, sell shares of debt or equity securities in one or more transactions. This registration statement expires in July 2021.

U.S. Litigation escrow account. Pursuant to the terms of the U.S. retrospective responsibility plan, we maintain a U.S. litigation escrow account from which monetary liabilities from settlements of, or judgments in, the U.S. covered litigation will be payable. When we fund the U.S. litigation escrow account, the shares of class B common stock held by our stockholders are subject to dilution through an adjustment to the conversion rate of the shares of class B common stock to shares of class A common stock. In September 2019, we deposited \$300 million into the U.S. litigation escrow account to address claims associated with the interchange multidistrict litigation. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report. The balance in this account at September 30, 2019, was \$1.2 billion and is reflected as restricted cash equivalents in our consolidated balance sheets. As these funds are restricted for the sole purpose of making payments related to the U.S. covered litigation matters, as described below under *Uses of Liquidity*, we do not rely on them for other operational needs.

Credit Ratings

At September 30, 2019, our credit ratings by Standard and Poor's and Moody's were as follows:

Debt type	Standard and Poor's		Moody's	
	Rating	Outlook	Rating	Outlook
Short-term unsecured debt	A-1+	Stable	P-1	Stable
Long-term unsecured debt	AA-	Stable	Aa3	Stable

Various factors affect our credit ratings, including changes in our operating performance, the economic environment, conditions in the electronic payment industry, our financial position and changes in our business strategy. We do not currently foresee any reasonable circumstances under which our credit ratings would be significantly downgraded. If a downgrade were to occur, it could adversely impact, among other things, our future borrowing costs and access to capital markets.

Uses of Liquidity

Payments settlement. Payments settlement due to and from our financial institution clients can represent a substantial daily liquidity requirement. Most U.S. dollar settlements are settled within the same day and do not result in a net receivable or payable balance, while settlements in currencies other than the U.S. dollar generally remain outstanding for one to two business days, which is consistent with industry practice for such transactions. In general, during fiscal 2019, we were not required to fund settlement-related working capital. Our average daily net settlement position was a net payable of \$574 million. We hold approximately \$7.5 billion of available liquidity globally as of September 30, 2019, in the form of cash, cash equivalents and available-for-sale investment securities, to fund daily settlement in the event one or more of our financial institution clients are unable to settle.

U.S. covered litigation. We are parties to legal and regulatory proceedings with respect to a variety of matters, including certain litigation that we refer to as the U.S. covered litigation. As noted above, monetary liabilities from settlements of, or judgments in, the U.S. covered litigation are payable from the U.S. litigation escrow account. In September 2018, Visa and other defendants entered into an Amended Settlement Agreement with plaintiffs in the interchange multidistrict litigation purporting to represent a class of plaintiffs seeking monetary damages, which superseded and amended the 2012 Settlement Agreement. On November 7, 2019, the district court held a hearing on whether to approve the Amended Settlement Agreement. We expect a decision by the district court in the first half of calendar year 2020. If approved, the final settlement amount would be approximately \$5.5 billion. Our share represents approximately \$3.6 billion, which would be satisfied through funds previously deposited with the court. No additional funds are required for this class settlement. Under the Amended Settlement Agreement, defendants are entitled to receive takedown payments of up to 25% of the original cash payments made into the settlement fund, based on the percentage of payment card sales volume attributable to merchants who have chosen to opt out of the settlement class. Visa's portion of the maximum takedown payments, which we expect to receive and is calculated to be \$467 million, would be returned to our U.S. litigation escrow account. This will increase our taxable income, thereby increasing our taxes paid.

During September 2019, we deposited \$300 million into the U.S. litigation escrow account to address individual claims for members who have chosen to opt out of the Amended Settlement Agreement. At September 30, 2019, the U.S. litigation escrow account had an available balance of \$1.2 billion. The funds in the U.S. litigation escrow account as well as the \$467 million takedown payments that we expect to be returned will be available for settlement with these opt-out merchants. Under the terms of the U.S. retrospective responsibility plan, when we make a deposit into the litigation escrow account, the shares of class B common stock are subject to dilution through a reduction to the conversion rate of the shares of class B common stock to shares of class A common stock. The U.S. retrospective responsibility plan was created to insulate Visa and our class A common shareholders from financial liability for certain litigation cases. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Other litigation. Judgments in and settlements of litigation, other than the U.S. covered litigation, including VE territory covered litigation or other fines imposed in investigations and proceeding, could give rise to future liquidity needs.

Reduction in as-converted shares. During fiscal 2019, share repurchases and escrow deposits reduced as-converted class A common stock by 58 million at an average price of \$154.62 per share. Of the 58 million shares, 56 million were repurchased in the open market using \$8.6 billion of cash on hand. Additionally, we deposited \$300 million of operating cash into the U.S. litigation escrow account previously established under the U.S. retrospective responsibility plan. The deposit has the same economic effect on earnings per share as repurchasing our class A common stock because it reduces the class B conversion rate and consequently the as-converted class A common stock share count. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 14—Stockholders' Equity* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

In January 2019, our board of directors authorized a share repurchase program for \$8.5 billion. This authorization has no expiration date. As of September 30, 2019, we had remaining authorized funds of \$4.1 billion. All share repurchase programs authorized prior to January 2019 have been completed. See *Note 14—Stockholders' Equity* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Dividends. During fiscal 2019, we declared and paid \$2.3 billion in dividends. On October 22, 2019, our board of directors declared a quarterly cash dividend of \$0.30 per share of class A common stock (determined in the case of class B and C common stock and series B and C preferred stock on an as-converted basis). We expect to pay approximately \$673 million in connection with this dividend on December 3, 2019. See *Note 14—Stockholders' Equity* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report. We expect to continue paying quarterly dividends in cash, subject to approval by the board of directors. All preferred and class B and C common stock will share ratably on an as-converted basis in such future dividends.

Pension and other postretirement benefits. We sponsor various qualified and non-qualified defined benefit pension and other postretirement benefit plans that provide for retirement and medical benefits for substantially all employees residing in the U.S. As a result of the acquisition of Visa Europe, we assumed the obligations related to Visa Europe's defined benefit plan, primarily consisting of the UK pension plans. Our policy with respect to our U.S. qualified pension plan is to contribute annually in September of each year, an amount not less than the minimum required under the Employee Retirement Income Security Act. Our U.S. non-qualified pension and other postretirement benefit plans are funded on a current basis. In relation to the Visa Europe UK pension plans, our funding policy is to contribute in accordance with the appropriate funding requirements agreed with the trustees of our UK pension plans. Additional amounts may be agreed with the UK pension plan trustees. In fiscal 2019, we made contributions to our U.S. pension and other postretirement benefit plans of \$3 million. For Visa Europe's UK pension plans, we made contributions of \$10 million in fiscal 2019, subsequent to the acquisition date as agreed upon with the trustees to improve the funding level of the plans. In fiscal 2020, given current projections and assumptions, we anticipate funding our U.S. pension and other postretirement benefit plans and Visa Europe's UK defined benefit pension plans by approximately \$3 million and \$10 million, respectively. The actual contribution amount will vary depending upon the funded status of the pension plan, movements in the discount rate, performance of the plan assets and related tax consequences. See *Note 10—Pension and Other Postretirement Benefits* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Capital expenditures. Our capital expenditures increased during fiscal 2019, due to investments in technology, infrastructure and growth initiatives. We expect to continue investing in technology assets and payments system infrastructure to support our digital solutions and core business initiatives.

Acquisitions. In fiscal 2019, we acquired businesses using \$0.7 billion of cash on hand, primarily reflecting total purchase price less cash and restricted cash received. These acquisitions will help Visa's clients and merchant partners accelerate digital commerce. In connection with our purchase of Visa Europe in June 2016, we were required to pay an additional €1.0 billion, plus 4% compound annual interest, on the third anniversary of the closing of the Visa Europe acquisition. In June 2019, we paid €1.1 billion in fulfillment of this obligation. See *Note 2—Acquisitions* and *Note 8—Intangible Assets and Goodwill* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Derivative Financial Instruments

In fiscal 2019, we entered into interest rate and cross-currency swap agreements on a portion of our outstanding 3.15% Senior Notes due December 2025 that allow us to manage our interest rate exposure through a combination of fixed and floating rates and reduce our overall cost of borrowing. Together these swap agreements effectively convert a portion of our U.S. dollar denominated fixed-rate payments into euro denominated floating-rate payments. See *Note 6—Fair Value Measurements and Investments* and *Note 12—Derivative and Non-derivative Financial Instruments* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Fair Value Measurements—Financial Instruments

The assessment of fair value of our financial instruments is based on a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs are obtained from independent sources and can be validated by a third party, whereas unobservable inputs reflect assumptions regarding what a third party would use in pricing an asset or liability. As of September 30, 2019, our financial instruments measured at fair value on a recurring basis included approximately \$13.5 billion of assets and \$0.2 billion of liabilities. None of these instruments were valued using significant unobservable inputs. See *Note 6—Fair Value Measurements and Investments* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Off-Balance Sheet Arrangements

Our off-balance sheet arrangements are primarily comprised of guarantees and indemnifications. Visa has no off-balance sheet arrangements, other than lease and purchase order commitments, as discussed and reflected in our contractual obligations table below.

Indemnifications

We indemnify our financial institution clients for settlement losses suffered due to the failure of any other client to fund its settlement obligations in accordance with our rules. The amount of the indemnification is limited to the amount of unsettled Visa payment transactions at any point in time. We maintain global credit settlement risk policies and procedures to manage settlement risk, which may require clients to post collateral if certain credit standards are not met. See *Note 1—Summary of Significant Accounting Policies* and *Note 11—Settlement Guarantee Management* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

In the ordinary course of business, we enter into contractual arrangements with financial institutions and other clients and partners under which we may agree to indemnify the client for certain types of losses incurred relating to the services we provide or otherwise relating to our performance under the applicable agreement.

Contractual Obligations

Our contractual commitments will have an impact on our future liquidity. The contractual obligations identified in the table below include both on- and off-balance sheet transactions that represent a material, expected or contractually committed future obligation as of September 30, 2019. We believe that we will be able to fund these obligations through cash generated from our operations and available credit facilities.

	Payments Due by Period				
	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years	Total
	(in millions)				
Long-term debt ⁽¹⁾	\$ 537	\$ 4,975	\$ 3,056	\$ 15,332	\$ 23,900
Purchase obligations ⁽²⁾	1,598	782	406	857	3,643
Leases ⁽³⁾	143	227	178	250	798
Transition tax ⁽⁴⁾	—	164	243	474	881
Dividends ⁽⁵⁾	673	—	—	—	673
Total^{(6),(7),(8)}	\$ 2,951	\$ 6,148	\$ 3,883	\$ 16,913	\$ 29,895

⁽¹⁾ Amounts presented include payments for both interest and principal. Also see *Note 9—Debt* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

⁽²⁾ Represents agreements to purchase goods and services that specify significant terms, including: fixed or minimum quantities to be purchased, minimum or variable price provisions, and the approximate timing of the transaction. For obligations where the individual years of spend are not specified in the contract, we have estimated the timing of when these amounts will be spent.

⁽³⁾ Includes operating leases for premises, equipment and software licenses, which range in terms from less than one year to twenty-six years.

⁽⁴⁾ Amounts presented relate to the estimated transition tax, net of foreign tax credit carryovers, on certain foreign earnings of non-U.S. subsidiaries. See *Note 19—Income Taxes* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

⁽⁵⁾ Includes expected dividend amount of \$673 million as dividends were declared on October 22, 2019 and will be paid on December 3, 2019 to all holders of record of Visa's common stock as of November 15, 2019.

⁽⁶⁾ We have liabilities for uncertain tax positions of \$1.7 billion as of September 30, 2019. At September 30, 2019, we had also accrued \$165 million of interest and \$26 million of penalties associated with our uncertain tax positions. We cannot determine the range of cash payments that will be made and the timing of the cash settlements, if any, associated with our uncertain tax positions. Therefore, no amounts related to these obligations have been included in the table.

⁽⁷⁾ We evaluate the need to make contributions to our pension plan after considering the funded status of the pension plan, movements in the discount rate, performance of the plan assets and related tax consequences. Expected contributions to our pension plan have not been included in the table as such amounts are dependent upon the considerations discussed above, and may result in a wide range of amounts. See *Note 10—Pension and Other Postretirement Benefits* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report and the *Liquidity and Capital Resources* section of this *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

⁽⁸⁾ Future cash payments for long-term contracts with financial institution clients and other business partners are not included in the table as the amounts are unknowable due to the inherent unpredictability of payment and transaction volume. These agreements, which range in terms from one to fifteen years, can provide card issuance and/or conversion support, volume/growth targets or marketing and program support based on specific performance requirements. As of September 30, 2019, we have \$4.1 billion of client incentives liability recorded on the consolidated balance sheet related to these arrangements.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America which require us to make judgments, assumptions and estimates that affect the amounts reported. See *Note 1—Summary of Significant Accounting Policies* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report. We have established policies and control procedures which seek to ensure that estimates and assumptions are appropriately governed and applied consistently from period to period. However, actual results could differ from our assumptions and estimates, and such differences could be material.

We believe that the following accounting estimates are the most critical to fully understand and evaluate our reported financial results, as they require our most subjective or complex management judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain and unpredictable.

Revenue Recognition—Client Incentives

Critical estimates. We enter into long-term incentive agreements with financial institution clients, merchants and other business partners for various programs designed to increase revenue by growing payments volume, increasing Visa product acceptance, winning merchant routing transactions over to our network and driving innovation. These incentives are primarily accounted for as reductions to net revenues; however, if a separate identifiable benefit at fair value can be established, they are accounted for as operating expenses. Incentives are recognized systematically and rationally based on management's estimate of each client's performance. These estimates are regularly reviewed and adjusted as appropriate based on changes in performance expectations, actual client performance, amendments to existing contracts or the execution of new contracts.

Assumptions and judgment. Estimation of client incentives relies on forecasts of payments and transaction volume, card issuance and card conversion. Performance is estimated using client-reported information, transactional information accumulated from our systems, historical information, market and economic conditions and discussions with our clients, merchants and business partners.

Impact if actual results differ from assumptions. If actual performance is not consistent with our estimates, client incentives may be materially different than initially recorded. Increases in incentive payments are generally driven by increased payments and transaction volume, which drive our net revenues. As a result, in the event incentive payments exceed estimates, such payments are not expected to have a material effect on our financial condition, results of operations or cash flows. The cumulative impact of a revision in estimates is recorded in the period such revisions become probable and estimable. For the year ended September 30, 2019, client incentives represented 21% of gross revenues.

Legal and Regulatory Matters

Critical estimates. We are currently involved in various legal proceedings, the outcomes of which are not within our complete control or may not be known for prolonged periods of time. Management is required to assess the probability of loss and estimate the amount of such loss, if any, in preparing our financial statements.

Assumptions and judgment. We evaluate the likelihood of a potential loss from legal or regulatory proceedings to which we are a party. We record a liability for such claims when a loss is deemed probable and the amount can be reasonably estimated. Significant judgment may be required in the determination of both probability and whether a potential loss is reasonably estimable. Our judgments are subjective based on management's understanding of the litigation profile, the specifics of each case, our history with similar proceedings, advice of in-house and outside legal counsel to the extent appropriate and management's best estimate of incurred loss. As additional information becomes available, we reassess the potential loss related to pending claims and may revise our estimates.

We have entered into loss sharing agreements that reduce our potential liability under certain litigation. However, our U.S. retrospective responsibility plan only addresses monetary liabilities from settlements of, or final judgments in, the U.S. covered litigation. The plan's mechanisms include the use of the U.S. litigation escrow account. The accrual related to the U.S. covered litigation could be either higher or lower than the U.S. litigation escrow account balance. Our Europe retrospective responsibility plan only covers Visa Europe territory covered litigation (and resultant liabilities and losses) relating to the covered period, subject to certain limitations, and does not cover any fines or penalties incurred in the European Commission proceedings or any other matter. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.

Impact if actual results differ from assumptions. Due to the inherent uncertainties of the legal and regulatory processes in the multiple jurisdictions in which we operate, our judgments may be materially different than the actual outcomes, which could have material adverse effects on our business, financial conditions and results of operations. See *Note 20—Legal Matters* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data*.

Income Taxes

Critical estimates. In calculating our effective income tax rate, we make judgments regarding certain tax positions, including the timing and amount of deductions and allocations of income among various tax jurisdictions.

Assumptions and judgment. We have various tax filing positions with regard to the timing and amount of deductions and credits, the establishment of liabilities for uncertain tax positions and the allocation of income among various tax jurisdictions. We are also required to inventory, evaluate and measure all uncertain tax positions taken or to be taken on tax returns and to record liabilities for the amount of such positions that may not be sustained, or may only be partially sustained, upon examination by the relevant taxing authorities.

Impact if actual results differ from assumptions. Although we believe that our estimates and judgments are reasonable, actual results may differ from these estimates. Some or all of these judgments are subject to review by the taxing authorities. If one or more of the taxing authorities were to successfully challenge our right to realize some or all of the tax benefit we have recorded, and we were unable to realize this benefit, it could have a material adverse effect on our financial results and cash flows.

ITEM 7A. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the potential economic loss arising from adverse changes in market factors. Our exposure to financial market risks results primarily from fluctuations in foreign currency exchange rates, interest rates and equity prices. Aggregate risk exposures are monitored on an ongoing basis.

Foreign Currency Exchange Rate Risk

We are exposed to risks from foreign currency exchange rate fluctuations that are primarily related to changes in the functional currency value of revenues generated from foreign currency-denominated transactions and changes in the functional currency value of payments in foreign currencies. We manage these risks by entering into foreign currency forward contracts that hedge exposures of the variability in the functional currency equivalent of anticipated non-functional currency denominated cash flows. Our foreign currency exchange rate risk management program reduces, but does not entirely eliminate, the impact of foreign currency exchange rate movements.

The aggregate notional amounts of our foreign currency forward contracts outstanding in our exchange rate risk management program, including contracts not designated for cash flow hedge accounting, were \$3.1 billion and \$3.7 billion at September 30, 2019 and 2018, respectively. The aggregate notional amount outstanding at September 30, 2019 is fully consistent with our strategy and treasury policy aimed at reducing foreign exchange risk below a predetermined and approved threshold. However, actual results could materially differ from our forecast. The effect of a hypothetical 10% strengthening or weakening in the value of the functional currencies is estimated to create an additional fair value gain of approximately \$245 million or loss of approximately \$300 million, respectively, on our foreign currency forward contracts outstanding at September 30, 2019. The gain or loss from this hypothetical strengthening or weakening would be largely offset by a corresponding gain or loss on our cash flows from foreign currency-denominated revenues and payments. See *Note 1—Summary of Significant Accounting Policies* and *Note 12—Derivative and Non-derivative Financial Instruments* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

We are further exposed to foreign currency exchange rate risk related to translation as the functional currency of Visa Europe is the euro. Translation from the euro to the U.S. dollar is performed for balance sheet accounts using exchange rates in effect at the balance sheet date and for revenue and expense accounts using an average exchange rate for the period. Resulting translation adjustments are reported as a component of accumulated other comprehensive income or loss on the consolidated balance sheets. A hypothetical 10% change in the euro against the U.S. dollar compared to the exchange rate at September 30, 2019, would result in a foreign currency translation adjustment of \$2.0 billion. See *Note 1—Summary of Significant Accounting Policies* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

We are also subject to foreign currency exchange risk in daily settlement activities. This risk arises from the timing of rate setting for settlement with clients relative to the timing of market trades for balancing currency positions. Risk in settlement activities is limited through daily operating procedures, including the utilization of Visa settlement systems and our interaction with foreign exchange trading counterparties.

Interest Rate Risk

Our investment portfolio assets are held in both fixed-rate and adjustable-rate securities. These assets are included in cash equivalents and short-term or long-term available-for-sale investments. Investments in fixed-rate instruments carry a degree of interest rate risk. The fair value of fixed-rate securities may be adversely impacted due to a rise in interest rates. Additionally, a falling-rate environment creates reinvestment risk because as securities mature, the proceeds are reinvested at a lower rate, generating less interest income. Historically, we have been able to hold investments until maturity. Neither our operating results or cash flows have been, nor are they expected to be, materially impacted by a sudden change in market interest rates.

The fair value balances of our fixed-rate investment securities at September 30, 2019 and 2018 were \$1.8 billion and \$5.1 billion, respectively. The fair value balances of our adjustable-rate debt securities were \$4.6 billion and \$3.5 billion at September 30, 2019 and 2018, respectively. A hypothetical 100 basis point increase in interest rates would create an estimated decrease in fair value of approximately \$9 million on our investment securities at September 30, 2019.

In fiscal 2019, we entered into interest rate and cross-currency swap agreements on a portion of our outstanding senior notes that allow us to manage our interest rate exposure through a combination of fixed and floating rates and reduce our overall cost of borrowing. Together these swap agreements effectively convert a portion of our U.S. dollar denominated fixed-rate payments into euro denominated floating-rate payments. By entering into interest rate swaps, we have assumed risks associated with market interest rate fluctuations. A hypothetical 100 basis point increase in interest rates would have resulted in an increase of approximately \$30 million in annual interest expense. See *Note 12—Derivative and Non-derivative Financial Instruments* to our consolidated financial statements included in *Item 8—Financial Statements and Supplementary Data* of this report.

Pension Plan Risk

At September 30, 2019 and 2018, our U.S. defined benefit pension plan assets were \$1.1 billion at each year end, and projected benefit obligations were \$0.9 billion and \$0.8 billion, respectively. A material adverse decline in the value of pension plan assets and/or in the discount rate for benefit obligations would result in a decrease in the funded status of the pension plan, an increase in pension cost and an increase in required funding. A hypothetical 10% decrease in the value of pension plan assets and a 1% decrease in the discount rate would result in an aggregate decrease of approximately \$220 million in the funded status and an increase of approximately \$43 million in pension cost.

At September 30, 2019 and 2018, our non-U.S. defined benefit pension plan assets were \$0.5 billion and \$0.4 billion, respectively, and projected benefit obligations were \$0.5 billion at each year end. A material adverse decline in the value of pension plan assets and/or in the discount rate for benefit obligations would result in a decrease in the funded status of the pension plan, an increase in pension cost and an increase in required funding. A hypothetical 10% decrease in the value of pension plan assets and a 1% decrease in the discount rate would result in an aggregate decrease of approximately \$182 million in the funded status and an increase of approximately \$15 million in pension cost.

We will continue to monitor the performance of pension plan assets and market conditions as we evaluate the amount of our contribution to the pension plan for fiscal 2020, if any, which would be made in September 2020.

ITEM 8. Financial Statements and Supplementary Data

**VISA INC.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

	<u>Page</u>
As of September 30, 2019 and 2018 and for the years ended September 30, 2019, 2018 and 2017	
Report of Independent Registered Public Accounting Firm	53
Consolidated Balance Sheets	56
Consolidated Statements of Operations	57
Consolidated Statements of Comprehensive Income	58
Consolidated Statements of Changes in Equity	59
Consolidated Statements of Cash Flows	62
Notes to the Consolidated Financial Statements	63

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Visa Inc.:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of Visa Inc. and subsidiaries (the Company) as of September 30, 2019 and 2018, the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended September 30, 2019 and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of September 30, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of September 30, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the three-year period ended September 30, 2019, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Changes in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, the Company has changed its method of accounting for revenue from contracts with customers in fiscal year 2019 due to the adoption of Accounting Standards Update 2014-09 "Revenue from Contracts with Customers (Topic 606)".

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Report of Independent Registered Public Accounting Firm—(Continued)

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Assessment of the accrued litigation liability for class members opting out of the Damages Class settlement

As discussed in Note 20 to the consolidated financial statements, the Company is involved in various legal proceedings, including the *Interchange Multidistrict Litigation (MDL) - Individual Merchant Actions*, and has recorded an accrued litigation liability of \$1,203 million as of September 30, 2019. In preparing its consolidated financial statements, the Company is required to assess the probability of loss associated with each legal proceeding and the amount of such loss, if any. The outcome of the legal proceedings to which the Company is a party is not within the complete control of the Company or may not be known for prolonged periods of time.

We identified the assessment of the accrued litigation liability for class members opting out of the Damages Class settlement, also known as the *MDL - Individual Merchant Actions*, as a critical audit matter. This proceeding involves complex claims that are subject to substantial uncertainties and unascertainable damages. The assessment of the accrued litigation liability for the *MDL - Individual Merchant Actions* required especially challenging auditor judgment due to the assumptions and estimates associated with the consideration and evaluation of possible outcomes. Changes to the outcomes could have a significant effect on the estimated amount of the liability.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's litigation assessment process, including internal controls over the Company's litigation accrual process for the *MDL - Individual Merchant Actions*. We assessed the amounts accrued by reading letters received directly from the Company's external legal counsel and in-house legal counsel that discussed the Company's legal matters, including the *MDL - Individual Merchant Actions*. We considered relevant publicly available information, such as published news articles, about the Company and its legal matters, including the *MDL - Individual Merchant Actions*. We evaluated the Company's ability to estimate its monetary exposure by comparing historically recorded liabilities to actual monetary amounts incurred upon resolution of legal matters for merchants that opted out of the previous MDL class settlement. We assessed the Company's analysis of the estimated monetary exposure by checking that it included a complete population of opt-out merchants and performing sensitivity analysis over the Company's monetary exposure calculations.

Report of Independent Registered Public Accounting Firm—(Continued)

Evaluation of the revenue recognition for incentive arrangements with certain strategic partners upon adoption of ASC Topic 606

As discussed in Note 1 to the consolidated financial statements, the Company enters into long-term contracts with financial institution clients, merchants, and strategic partners for various programs. The determination of whether incentive payments to certain strategic partners should be recorded as an operating expense or a reduction to operating revenues is dependent upon the application of the consideration payable to a customer guidance within ASC Topic 606.

We identified the evaluation of the revenue recognition for incentive arrangements with certain strategic partners upon adoption of ASC Topic 606 as a critical audit matter. A higher degree of auditor judgment was required to evaluate the application of the consideration payable to customer guidance due to the unique nature and complexity of the Company's open-loop payment network.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's revenue recognition process, including controls related to the accounting for incentive payments to strategic partners and the application of the consideration payable to a customer guidance. We evaluated a sample of arrangements with certain strategic partners that participate in the Company's open-loop payment network to understand the rights and obligations of the strategic partners, and how the Company earns revenue from and incentivizes the strategic partner. We selected a sample of certain strategic partner contracts and independently assessed the application of the consideration payable to a customer guidance, and compared our assessment to that of the Company's.

/s/ KPMG LLP

We have served as the Company's auditor since 2007.

Santa Clara, California
November 14, 2019

VISA INC.
CONSOLIDATED BALANCE SHEETS

	September 30, 2019	September 30, 2018
	(in millions, except par value data)	
Assets		
Cash and cash equivalents	\$ 7,838	\$ 8,162
Restricted cash equivalents—U.S. litigation escrow (Note 4 and Note 5)	1,205	1,491
Investment securities (Note 6)	4,236	3,547
Settlement receivable	3,048	1,582
Accounts receivable	1,542	1,208
Customer collateral (Note 4 and Note 11)	1,648	1,324
Current portion of client incentives	741	340
Prepaid expenses and other current assets	712	562
Total current assets	20,970	18,216
Investment securities (Note 6)	2,157	4,082
Client incentives	2,084	538
Property, equipment and technology, net (Note 7)	2,695	2,472
Goodwill (Note 8)	15,656	15,194
Intangible assets, net (Note 8)	26,780	27,558
Other assets	2,232	1,165
Total assets	\$ 72,574	\$ 69,225
Liabilities		
Accounts payable	\$ 156	\$ 183
Settlement payable	3,990	2,168
Customer collateral (Note 4 and Note 11)	1,648	1,325
Accrued compensation and benefits	796	901
Client incentives	3,997	2,834
Accrued liabilities	1,625	1,160
Deferred purchase consideration	—	1,300
Accrued litigation (Note 20)	1,203	1,434
Total current liabilities	13,415	11,305
Long-term debt (Note 9)	16,729	16,630
Deferred tax liabilities (Note 19)	4,807	4,618
Other liabilities	2,939	2,666
Total liabilities	37,890	35,219
Commitments and contingencies (Note 17)		
Equity		
Preferred stock, \$0.0001 par value, 25 shares authorized and 5 shares issued and outstanding as follows:		
Series A convertible participating preferred stock, none issued (the "class A equivalent preferred stock") (Note 14)	—	—
Series B convertible participating preferred stock, 2 shares issued and outstanding at September 30, 2019 and 2018 (the "UK&I preferred stock") (Note 5 and Note 14)	2,285	2,291
Series C convertible participating preferred stock, 3 shares issued and outstanding at September 30, 2019 and 2018 (the "Europe preferred stock") (Note 5 and Note 14)	3,177	3,179
Class A common stock, \$0.0001 par value, 2,001,622 shares authorized, 1,718 and 1,768 shares issued and outstanding at September 30, 2019 and 2018, respectively (Note 14)	—	—
Class B common stock, \$0.0001 par value, 622 shares authorized, 245 shares issued and outstanding at September 30, 2019 and 2018, respectively (Note 14)	—	—
Class C common stock, \$0.0001 par value, 1,097 shares authorized, 11 and 12 shares issued and outstanding at September 30, 2019 and 2018, respectively (Note 14)	—	—
Right to recover for covered losses (Note 5)	(171)	(7)
Additional paid-in capital	16,541	16,678
Accumulated income	13,502	11,318
Accumulated other comprehensive income (loss), net:		
Investment securities	6	(17)
Defined benefit pension and other postretirement plans	(192)	(61)
Derivative instruments	199	60

Foreign currency translation adjustments	(663)	565
Total accumulated other comprehensive income (loss), net	(650)	547
Total equity	34,684	34,006
Total liabilities and equity	\$ 72,574	\$ 69,225

See accompanying notes, which are an integral part of these consolidated financial statements.

VISA INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions, except per share data)		
Net revenues	\$ 22,977	\$ 20,609	\$ 18,358
Operating Expenses			
Personnel	3,444	3,170	2,628
Marketing	1,105	988	922
Network and processing	721	686	620
Professional fees	454	446	409
Depreciation and amortization	656	613	556
General and administrative	1,196	1,145	1,060
Litigation provision (Note 20)	400	607	19
Total operating expenses	7,976	7,655	6,214
Operating income	15,001	12,954	12,144
Non-operating Income (Expense)			
Interest expense, net	(533)	(612)	(563)
Investment income and other	416	464	113
Total non-operating income (expense)	(117)	(148)	(450)
Income before income taxes	14,884	12,806	11,694
Income tax provision (Note 19)	2,804	2,505	4,995
Net income	\$ 12,080	\$ 10,301	\$ 6,699
Basic Earnings Per Share (Note 15)			
Class A common stock	\$ 5.32	\$ 4.43	\$ 2.80
Class B common stock	\$ 8.68	\$ 7.28	\$ 4.62
Class C common stock	\$ 21.30	\$ 17.72	\$ 11.21
Basic Weighted-average Shares Outstanding (Note 15)			
Class A common stock	1,742	1,792	1,845
Class B common stock	245	245	245
Class C common stock	12	12	14
Diluted Earnings Per Share (Note 15)			
Class A common stock	\$ 5.32	\$ 4.42	\$ 2.80
Class B common stock	\$ 8.66	\$ 7.27	\$ 4.61
Class C common stock	\$ 21.26	\$ 17.69	\$ 11.19
Diluted Weighted-average Shares Outstanding (Note 15)			
Class A common stock	2,272	2,329	2,395
Class B common stock	245	245	245
Class C common stock	12	12	14

See accompanying notes, which are an integral part of these consolidated financial statements.

VISA INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
Net income	\$ 12,080	\$ 10,301	\$ 6,699
Other comprehensive income (loss), net of tax:			
Investment securities:			
Net unrealized gain (loss)	20	94	60
Income tax effect	(5)	(19)	(24)
Reclassification adjustments	1	(215)	1
Income tax effect	—	50	—
Defined benefit pension and other postretirement plans:			
Net unrealized actuarial gain (loss) and prior service credit (cost)	(174)	16	183
Income tax effect	36	(5)	(54)
Reclassification adjustments	9	5	32
Income tax effect	(2)	(1)	(12)
Derivative instruments:			
Net unrealized gain (loss)	233	90	(22)
Income tax effect	(25)	(24)	15
Reclassification adjustments	(85)	32	33
Income tax effect	16	(2)	(12)
Foreign currency translation adjustments	(1,228)	(352)	1,136
Other comprehensive income (loss), net of tax	(1,204)	(331)	1,336
Comprehensive income	\$ 10,876	\$ 9,970	\$ 8,035

See accompanying notes, which are an integral part of these consolidated financial statements.

VISA INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Preferred Stock ⁽¹⁾		Common Stock			Preferred Stock	Treasury Stock	Right to Recover for Covered Losses	Additional Paid-In Capital	Accumulated Income	Accumulated Other Comprehensive Income (Loss), Net	Total Equity
	Series B	Series C	Class A	Class B	Class C							
(in millions, except per share data)												
Balance as of September 30, 2016	2	3	1,871	245	17	\$ 5,717	\$ (170)	\$ (34)	\$ 17,395	\$ 10,462	\$ (458)	\$32,912
Net income										6,699		6,699
Other comprehensive income (loss), net of tax											1,336	1,336
Comprehensive income												8,035
VE territory covered losses incurred (Note 5)								(209)				(209)
Recovery through conversion rate adjustment (Note 5 and Note 14)						(191)		191				—
Charitable contribution of Visa Inc. shares			2				170					170
Treasury stock appreciation, net of tax									14			14
Conversion of class C common stock upon sales into public market			17		(4)							—
Vesting of restricted stock and performance-based shares			2									—
Share-based compensation, net of forfeitures (Note 16)			— ⁽²⁾						235			235
Restricted stock and performance-based shares settled in cash for taxes			(1)						(76)			(76)
Cash proceeds from issuance of common stock under employee equity plans			4						149			149
Cash dividends declared and paid, at a quarterly amount of \$0.165 per class A share (Note 14)										(1,579)		(1,579)
Repurchase of class A common stock (Note 14)			(77)						(817)	(6,074)		(6,891)
Balance as of September 30, 2017	2	3	1,818	245	13	\$ 5,526	\$ —	\$ (52)	\$ 16,900	\$ 9,508	\$ 878	\$32,760

⁽¹⁾ Series B and C preferred stock are alternatively referred to as UK&I and Europe preferred stock, respectively.

⁽²⁾ Decrease in Class A common stock related to forfeitures of restricted stock awards is less than one million shares.

See accompanying notes, which are an integral part of these consolidated financial statements.

VISA INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY—(Continued)

	Preferred Stock ⁽¹⁾		Common Stock			Preferred Stock	Right to Recover for Covered Losses	Additional Paid-In Capital	Accumulated Income	Accumulated Other Comprehensive Income (Loss), Net	Total Equity
	Series B	Series C	Class A	Class B	Class C						
(in millions, except per share data)											
Balance as of September 30, 2017	2	3	1,818	245	13	\$ 5,526	\$ (52)	\$ 16,900	\$ 9,508	\$ 878	\$ 32,760
Net income									10,301		10,301
Other comprehensive income (loss), net of tax										(331)	(331)
Comprehensive income											9,970
VE territory covered losses incurred (Note 5)							(11)				(11)
Recovery through conversion rate adjustment (Note 5 and Note 14)						(56)	56				—
Conversion of class C common stock upon sales into public market			4		(1)						—
Vesting of restricted stock and performance-based shares			2								—
Share-based compensation, net of forfeitures (Note 16)			— ⁽²⁾					327			327
Restricted stock and performance-based shares settled in cash for taxes			(1)					(94)			(94)
Cash proceeds from issuance of common stock under employee equity plans			3					164			164
Cash dividends declared and paid, at a quarterly amount of \$0.195 per class A share in the first quarter and \$0.210 per class A share for the rest of the fiscal year (Note 14)									(1,918)		(1,918)
Repurchase of class A common stock (Note 14)			(58)					(619)	(6,573)		(7,192)
Balance as of September 30, 2018	2	3	1,768	245	12	\$ 5,470	\$ (7)	\$ 16,678	\$ 11,318	\$ 547	\$ 34,006

⁽¹⁾ Series B and C preferred stock are alternatively referred to as UK&I and Europe preferred stock, respectively.

⁽²⁾ Decrease in Class A common stock related to forfeitures of restricted stock awards is less than one million shares.

See accompanying notes, which are an integral part of these consolidated financial statements.

VISA INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY—(Continued)

	Preferred Stock ⁽¹⁾		Common Stock			Preferred Stock	Right to Recover for Covered Losses	Additional Paid-In Capital	Accumulated Income	Accumulated Other Comprehensive Income (Loss), Net	Total Equity
	Series B	Series C	Class A	Class B	Class C						
(in millions, except per share data)											
Balance as of September 30, 2018	2	3	1,768	245	12	\$ 5,470	\$ (7)	\$ 16,678	\$ 11,318	\$ 547	\$34,006
Net income									12,080		12,080
Other comprehensive income (loss), net of tax										(1,204)	(1,204)
Comprehensive income											10,876
Adoption of new accounting standards (Note 1)									385	7	392
VE territory covered losses incurred (Note 5)							(172)				(172)
Recovery through conversion rate adjustment (Note 5 and Note 14)						(8)	8				—
Conversion of class C common stock upon sales into public market			2		(1)						—
Vesting of restricted stock and performance-based shares			3								—
Share-based compensation, net of forfeitures (Note 16)								407			407
Restricted stock and performance-based shares settled in cash for taxes			(1)					(111)			(111)
Cash proceeds from issuance of common stock under employee equity plans			2					162			162
Cash dividends declared and paid, at a quarterly amount of \$0.25 per class A share (Note 14)									(2,269)		(2,269)
Repurchase of class A common stock (Note 14)			(56)					(595)	(8,012)		(8,607)
Balance as of September 30, 2019	2	3	1,718	245	11	\$ 5,462	\$ (171)	\$ 16,541	\$ 13,502	\$ (650)	\$34,684

⁽¹⁾ Series B and C preferred stock are alternatively referred to as UK&I and Europe preferred stock, respectively.

See accompanying notes, which are an integral part of these consolidated financial statements.

VISA INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
Operating Activities			
Net income	\$ 12,080	\$ 10,301	\$ 6,699
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Client incentives (Note 3)	6,173	5,491	4,565
Share-based compensation (Note 16)	407	327	235
Depreciation and amortization of property, equipment, technology and intangible assets	656	613	556
Deferred income taxes	214	(1,277)	1,700
VE territory covered losses incurred (Note 5)	(172)	(11)	(209)
Charitable contribution of Visa Inc. shares (Note 19)	—	—	192
Other	(271)	(64)	54
Change in operating assets and liabilities:			
Settlement receivable	(1,533)	(223)	94
Accounts receivable	(333)	(70)	(54)
Client incentives	(6,430)	(4,682)	(4,628)
Other assets	(310)	59	(147)
Accounts payable	(24)	3	(30)
Settlement payable	1,931	262	(176)
Accrued and other liabilities	627	1,760	465
Accrued litigation (Note 20)	(231)	452	1
Net cash provided by (used in) operating activities	<u>12,784</u>	<u>12,941</u>	<u>9,317</u>
Investing Activities			
Purchases of property, equipment and technology	(756)	(718)	(707)
Proceeds from sales of property, equipment and technology	—	14	12
Investment securities:			
Purchases	(2,653)	(5,772)	(3,238)
Proceeds from maturities and sales	3,996	3,636	5,012
Acquisitions, net of cash and restricted cash acquired	(699)	(196)	(302)
Purchases of / contributions to other investments	(501)	(50)	(46)
Proceeds / distributions from other investments	12	2	4
Other investing activities	10	—	—
Net cash provided by (used in) investing activities	<u>(591)</u>	<u>(3,084)</u>	<u>735</u>
Financing Activities			
Repurchase of class A common stock (Note 14)	(8,607)	(7,192)	(6,891)
Repayments of long-term debt	—	(1,750)	—
Dividends paid (Note 14)	(2,269)	(1,918)	(1,579)
Payment of deferred purchase consideration related to the Visa Europe acquisition	(1,236)	—	—
Proceeds from issuance of senior notes	—	—	2,488
Debt issuance costs	—	—	(15)
Cash proceeds from issuance of common stock under employee equity plans	162	164	149
Restricted stock and performance-based shares settled in cash for taxes	(111)	(94)	(76)
Net cash provided by (used in) financing activities	<u>(12,061)</u>	<u>(10,790)</u>	<u>(5,924)</u>
Effect of exchange rate changes on cash and cash equivalents	(277)	(101)	236
Increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents	<u>(145)</u>	<u>(1,034)</u>	<u>4,364</u>
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of year	<u>10,977</u>	<u>12,011</u>	<u>7,647</u>
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of year	<u>\$ 10,832</u>	<u>\$ 10,977</u>	<u>\$ 12,011</u>
Supplemental Disclosure			
Income taxes paid, net of refunds	\$ 2,648	\$ 2,285	\$ 3,038
Interest payments on debt	\$ 537	\$ 545	\$ 489

Charitable contribution of investment securities to Visa Foundation	\$	—	\$	195	\$	—
Accruals related to purchases of property, equipment and technology	\$	95	\$	77	\$	50

See accompanying notes, which are an integral part of these consolidated financial statements.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2019

Note 1—Summary of Significant Accounting Policies

Organization. Visa Inc. (“Visa” or the “Company”) is a global payments technology company that enables fast, secure and reliable electronic payments across more than 200 countries and territories. Visa and its wholly-owned consolidated subsidiaries, including Visa U.S.A. Inc. (“Visa U.S.A.”), Visa International Service Association (“Visa International”), Visa Worldwide Pte. Limited, Visa Europe Limited (“Visa Europe”), Visa Canada Corporation (“Visa Canada”), Visa Technology & Operations LLC and CyberSource Corporation, operate one of the world’s largest electronic payments network — VisaNet — which facilitates authorization, clearing and settlement of payment transactions and enables the Company to provide its financial institution and seller clients a wide range of products, platforms and value-added services. Visa is not a financial institution and does not issue cards, extend credit or set rates and fees for account holders of Visa products. In most cases, account holder and merchant relationships belong to, and are managed by, Visa’s financial institution clients.

Consolidation and basis of presentation. The consolidated financial statements include the accounts of Visa and its consolidated entities and are presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company consolidates its majority-owned and controlled entities, including variable interest entities (“VIEs”) for which the Company is the primary beneficiary. The Company’s investments in VIEs have not been material to its consolidated financial statements as of and for the periods presented. All significant intercompany accounts and transactions are eliminated in consolidation.

The Company’s activities are interrelated, and each activity is dependent upon and supportive of the other. All significant operating decisions are based on analysis of Visa as a single global business. Accordingly, the Company has one reportable segment, Payment Services.

Use of estimates. The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about future events. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Future actual results could differ materially from these estimates. The use of estimates in specific accounting policies is described further below as appropriate.

Cash, cash equivalents, restricted cash, and restricted cash equivalents. Cash and cash equivalents include cash and certain highly liquid investments with original maturities of 90 days or less from the date of purchase. Cash equivalents are primarily recorded at cost, which approximates fair value due to their generally short maturities. The Company defines restricted cash and restricted cash equivalents as cash and cash equivalents that cannot be withdrawn or used for general operating activities. See *Note 4—Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents*.

Restricted cash equivalents—U.S. litigation escrow. The Company maintains an escrow account from which monetary liabilities from settlements of, or judgments in, the U.S. covered litigation are paid. See *Note 5—U.S. and Europe Retrospective Responsibility Plans* and *Note 20—Legal Matters* for a discussion of the U.S. covered litigation. The escrow funds are held in money market investments, together with the interest earned, less applicable taxes payable, and classified as restricted cash on the consolidated balance sheets. Interest earned on escrow funds is included in non-operating income on the consolidated statements of operations.

Investments and fair value. The Company measures certain assets and liabilities at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are reported under a three-level valuation hierarchy. See *Note 6—Fair Value Measurements and Investments*. The classification of the Company’s financial assets and liabilities within the hierarchy is as follows:

Level 1—Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities. The Company’s Level 1 assets include money market funds, marketable equity securities and U.S. Treasury securities.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Level 2—Inputs to the valuation methodology can include: (1) quoted prices in active markets for similar (not identical) assets or liabilities; (2) quoted prices for identical or similar assets in non-active markets; (3) inputs other than quoted prices that are observable for the asset or liability; or (4) inputs that are derived principally from or corroborated by observable market data. The Company's Level 2 assets and liabilities include U.S. government-sponsored debt securities, and derivative instruments.

Level 3—Inputs to the valuation methodology are unobservable and cannot be corroborated by observable market data. The Company's Level 3 assets include non-marketable equity investments and investments accounted for under the equity method.

Marketable equity securities. Marketable equity securities, which are reported in investment securities on the consolidated balance sheets, include mutual fund investments related to various employee compensation and benefit plans. Trading activity in these investments is at the direction of the Company's employees. These investments are held in a trust and are not available for the Company's operational or liquidity needs. Interest and dividend income and changes in fair value are recorded in non-operating income, and offset in personnel expense on the consolidated statements of operations. The adoption of ASU 2016-01 changed the Company's accounting for marketable equity securities. Beginning on October 1, 2018, unrealized gains and losses from changes in fair value of marketable equity securities are recognized in non-operating income (expense).

Available-for-sale debt securities. The Company's investment in debt securities, which are classified as available-for-sale and reported in investment securities on the consolidated balance sheets, include U.S. government-sponsored debt securities and U.S. Treasury securities. These securities are recorded at cost at the time of purchase and are carried at fair value. The Company considers these securities to be available-for-sale to meet working capital and liquidity needs. Investments with original maturities of greater than 90 days and stated maturities of less than one year from the balance sheet date, or investments that the Company intends to sell within one year, are classified as current assets, while all other securities are classified as non-current assets. These investments are generally available to meet short-term liquidity needs. Unrealized gains and losses are reported in accumulated other comprehensive income or loss on the consolidated balance sheets until realized. The specific identification method is used to calculate realized gain or loss on the sale of securities, which is recorded in non-operating income on the consolidated statements of operations. Interest income is recognized when earned and is included in non-operating income on the consolidated statements of operations.

The Company evaluates its debt securities for other-than-temporary impairment, or OTTI, on an ongoing basis. When there has been a decline in fair value of a debt security below the amortized cost basis, the Company recognizes OTTI if: (1) it has the intent to sell the security; (2) it is more likely than not that it will be required to sell the security before recovery of the amortized cost basis; or (3) it does not expect to recover the entire amortized cost basis of the security.

Non-marketable equity securities. The Company's non-marketable equity securities, which are reported in other assets on the consolidated balance sheets, include investments in privately held companies without readily determinable market values. These investments are classified as Level 3 due to the absence of quoted market prices, the inherent lack of liquidity and the fact that inputs used to measure fair value are unobservable and require management's judgment. Adoption of ASU 2016-01 changed the Company's accounting for non-marketable equity securities. Beginning on October 1, 2018, the Company's policy is to adjust the carrying value of its non-marketable equity securities to fair value when transactions for identical or similar investments of the same issuer are observable. All gains and losses on non-marketable equity securities, realized and unrealized, are recognized in non-operating income (expense).

The Company applies the equity method of accounting for investments in other entities when it holds between 20% and 50% ownership in the entity or when it exercises significant influence. Under the equity method, the Company's share of each entity's profit or loss is reflected in non-operating income on the consolidated statements of operations. The equity method of accounting is also used for flow-through entities such as limited partnerships and limited liability companies when the investment ownership percentage is equal to or greater than 5% of outstanding ownership interests, regardless of whether the Company has significant influence over the investees.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The Company applies the fair value measurement alternative for investments in other entities when it holds less than 20% ownership in the entity and does not exercise significant influence, or for flow-through entities when the investment ownership is less than 5% and the Company does not exercise significant influence. These investments consist of equity holdings in non-public companies and are recorded in other assets on the consolidated balance sheets.

The Company regularly reviews investments accounted for under the equity method and the fair value measurement alternative for possible impairment, which generally involves an analysis of the facts and changes in circumstances influencing the investment, expectations of the entity's cash flows and capital needs, and the viability of its business model.

Financial instruments. The Company considers the following to be financial instruments: cash and cash equivalents, restricted cash equivalents—U.S. litigation escrow, investment securities, settlement receivable and payable, accounts receivable, customer collateral, non-marketable equity investments and derivative instruments. See *Note 6—Fair Value Measurements and Investments*.

Settlement receivable and payable. The Company operates systems for authorizing, clearing and settling payment transactions worldwide. Most U.S. dollar settlements with the Company's financial institution clients are settled within the same day and do not result in a receivable or payable balance. Settlements in currencies other than the U.S. dollar generally remain outstanding for one to two business days, resulting in amounts due from and to clients. These amounts are presented as settlement receivable and settlement payable on the consolidated balance sheets.

Customer collateral. The Company holds cash deposits and other non-cash assets from certain clients in order to ensure their performance of settlement obligations arising from Visa payment services are processed in accordance with the Company's rules. The cash collateral assets are restricted and fully offset by corresponding liabilities and both balances are presented on the consolidated balance sheets. Pledged securities are held by a custodian in an account under the Company's name and ownership; however, the Company does not have the right to repledge these securities, but may sell these securities in the event of default by the client on its settlement obligations. Letters of credit are provided primarily by client financial institutions to serve as irrevocable guarantees of payment. Guarantees are provided primarily by parent financial institutions to secure the obligations of their subsidiaries. The Company routinely evaluates the financial viability of institutions providing the letters of credit and guarantees. See *Note 11—Settlement Guarantee Management*.

Guarantees and indemnifications. The Company recognizes an obligation at inception for guarantees and indemnifications that qualify for recognition, regardless of the probability of occurrence. The Company indemnifies its financial institution clients for settlement losses suffered due to the failure of any other client to fund its settlement obligations in accordance with the Visa operating rules. The estimated fair value of the liability for settlement indemnification is included in accrued liabilities on the consolidated balance sheets.

Property, equipment and technology, net. Property, equipment and technology are recorded at historical cost less accumulated depreciation and amortization, which are computed on a straight-line basis over the asset's estimated useful life. Depreciation and amortization of technology, furniture, fixtures and equipment are computed over estimated useful lives ranging from 2 to 10 years. Capital leases are amortized over the lease term and leasehold improvements are amortized over the shorter of the useful life of the asset or lease term. Building improvements are depreciated between 3 and 40 years, and buildings are depreciated over 40 years. Improvements that increase functionality of the asset are capitalized and depreciated over the asset's remaining useful life. Land and construction-in-progress are not depreciated. Fully depreciated assets are retained in property, equipment and technology, net, until removed from service.

Technology includes purchased and internally developed software, including technology assets obtained through acquisitions. Internally developed software represents software primarily used by the VisaNet electronic payments network. Internal and external costs incurred during the preliminary project stage are expensed as incurred. Qualifying costs incurred during the application development stage are capitalized. Once the project is substantially complete and ready for its intended use these costs are amortized on a straight-line basis over the technology's estimated useful life. Acquired technology assets are initially recorded at fair value and amortized on a straight-line basis over the estimated useful life.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The Company evaluates the recoverability of long-lived assets for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. If the sum of expected undiscounted net future cash flows is less than the carrying amount of an asset or asset group, an impairment loss is recognized to the extent that the carrying amount of the asset or asset group exceeds its fair value. See *Note 7—Property, Equipment and Technology, Net*.

Leases. The Company enters into operating leases for the use of premises, software and equipment. Rent expense related to operating lease agreements, which may or may not contain lease incentives, is primarily recorded on a straight-line basis over the lease term.

Intangible assets, net. The Company records identifiable intangible assets at fair value on the date of acquisition and evaluates the useful life of each asset.

Finite-lived intangible assets primarily consist of customer relationships, reacquired rights, reseller relationships and trade names obtained through acquisitions. Finite-lived intangible assets are amortized on a straight-line basis and are tested for recoverability if events or changes in circumstances indicate that their carrying amounts may not be recoverable. These intangibles have useful lives ranging from 3 to 15 years. No events or changes in circumstances indicate that impairment existed as of September 30, 2019. See *Note 8—Intangible Assets and Goodwill*.

Indefinite-lived intangible assets consist of trade name, customer relationships and reacquired rights. Intangible assets with indefinite useful lives are not amortized but are evaluated for impairment annually or more frequently if events or changes in circumstances indicate that impairment may exist. The Company first assesses qualitative factors to determine whether it is necessary to perform a quantitative impairment test for indefinite-lived intangible assets. The Company assesses each category of indefinite-lived intangible assets for impairment on an aggregate basis, which may require the allocation of cash flows and/or an estimate of fair value to the assets or asset group. Impairment exists if the fair value of the indefinite-lived intangible asset is less than the carrying value. The Company relies on a number of factors when completing impairment assessments, including a review of discounted net future cash flows, business plans and the use of present value techniques.

The Company completed its annual impairment review of indefinite-lived intangible assets as of February 1, 2019, and concluded there was no impairment as of that date. No recent events or changes in circumstances indicate that impairment of the Company's indefinite-lived intangible assets existed as of September 30, 2019.

Goodwill. Goodwill represents the excess of the purchase price over the fair value of the net assets acquired in a business combination. Goodwill is not amortized but is evaluated for impairment at the reporting unit level annually as of February 1, or more frequently if events or changes in circumstances indicate that impairment may exist.

The Company evaluated its goodwill for impairment as of February 1, 2019, and concluded there was no impairment as of that date. No recent events or changes in circumstances indicate that impairment existed as of September 30, 2019.

Accrued litigation. The Company evaluates the likelihood of an unfavorable outcome in legal or regulatory proceedings to which it is a party and records a loss contingency when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These judgments are subjective, based on the status of such legal or regulatory proceedings, the merits of the Company's defenses and consultation with corporate and external legal counsel. Actual outcomes of these legal and regulatory proceedings may differ materially from the Company's estimates. The Company expenses legal costs as incurred in professional fees in the consolidated statements of operations. See *Note 20—Legal Matters*.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Revenue recognition. The Company's net revenues are comprised principally of the following categories: service revenues, data processing revenues, international transaction revenues and other revenues, reduced by client incentives. As a payment network service provider, the Company's obligation to the customer is to stand ready to provide continuous access to our payment network over the contractual term. Consideration is variable based primarily upon the amount and type of transactions and payments volume on Visa's products. The Company recognizes revenue, net of sales and other similar taxes, as the payment network services are performed in an amount that reflects the consideration the Company expects to receive in exchange for those services. Fixed fees for payment network services are generally recognized ratably over the related service period. The Company has elected the optional exemption to not disclose the remaining performance obligations related to payment network services.

Service revenues consist mainly of revenues earned for services provided in support of client usage of Visa payment services. Current quarter service revenues are primarily assessed using a calculation of current quarter's pricing applied to the prior quarter's payments volume. The Company also earns revenues from assessments designed to support ongoing acceptance and volume growth initiatives, which are recognized in the same period the related volume is transacted.

Data processing revenues consist of revenues earned for authorization, clearing, settlement, value-added services, network access and other maintenance and support services that facilitate transaction and information processing among the Company's clients globally. Data processing revenues are recognized in the same period the related transactions occur or services are performed.

International transaction revenues are earned for cross-border transaction processing and currency conversion activities. Cross-border transactions arise when the country of origin of the issuer or financial institution originating the transaction is different from that of the beneficiary. International transaction revenues are recognized in the same period the cross-border transactions occur or services are performed.

Other revenues consist mainly of value-added services, license fees for use of the Visa brand or technology, fees for account holder services, certification, licensing and product enhancements, such as extended account holder protection and concierge services. Other revenues are recognized in the same period the related transactions occur or services are performed.

Client incentives. The Company enters into long-term contracts with financial institution clients, merchants and strategic partners for various programs designed to increase revenue by growing payments volume, increasing Visa product acceptance, winning merchant routing transactions over to Visa's network and driving innovation. These incentives are primarily accounted for as reductions to revenues. Client incentives are accounted for as operating expenses if the payment is in exchange for a distinct good or service provided by the customer. The Company generally capitalizes upfront and fixed incentive payments under these agreements and amortizes the amounts as a reduction to revenues ratably over the contractual term. Incentives that are earned by the customer based on performance targets are recorded as reductions to revenues based on management's estimate of each client's future performance. These accruals are regularly reviewed and estimates of performance are adjusted, as appropriate, based on changes in performance expectations, actual client performance, amendments to existing contracts or the execution of new contracts.

Marketing. The Company expenses costs for the production of advertising as incurred. The cost of media advertising is expensed when the advertising takes place. Sponsorship costs are recognized over the period in which the Company benefits from the sponsorship rights. Promotional items are expensed as incurred, when the related services are received, or when the related event occurs.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Income taxes. The Company's income tax expense consists of two components: current and deferred. Current income tax expense represents taxes paid or payable for the current period. Deferred tax assets and liabilities are recognized to reflect the future tax consequences attributable to temporary differences between the financial statement carrying amounts and the respective tax basis of existing assets and liabilities, and operating loss and credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. In assessing whether deferred tax assets are realizable, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. A valuation allowance is recorded for the portions that are not expected to be realized based on the level of historical taxable income, projections of future taxable income over the periods in which the temporary differences are deductible, and qualifying tax planning strategies.

Where interpretation of the tax law may be uncertain, the Company recognizes, measures and discloses income tax uncertainties. The Company accounts for interest expense and penalties related to uncertain tax positions as non-operating expense in the consolidated statements of operations. The Company files a consolidated federal income tax return and, in certain states, combined state tax returns. The Company elects to claim foreign tax credits in any given year if such election is beneficial to the Company. See *Note 19—Income Taxes*.

Pension and other postretirement benefit plans. The Company's defined benefit pension and other postretirement benefit plans are actuarially evaluated, incorporating various critical assumptions including the discount rate and the expected rate of return on plan assets (for qualified pension plans). The discount rate is based on a cash flow matching analysis, with the projected benefit payments matching spot rates from a yield curve developed from high-quality corporate bonds. The expected rate of return on pension plan assets considers the current and expected asset allocation, as well as historical and expected returns on each plan asset class. Any difference between actual and expected plan experience, including asset return experience, in excess of a 10% corridor is recognized in net periodic pension cost over the expected average employee future service period, which is approximately 7 years for the U.S. plans and 10 years for the Visa Europe UK pension plan. Other assumptions involve demographic factors such as retirement age, mortality, attrition and the rate of compensation increases. The Company evaluates assumptions annually and modifies them as appropriate.

The Company recognizes the funded status of its benefit plans in its consolidated balance sheets as other assets, accrued liabilities and other liabilities. The Company recognizes settlement losses when it settles pension benefit obligations, including making lump-sum cash payments to plan participants in exchange for their rights to receive specified pension benefits, when certain thresholds are met. See *Note 10—Pension and Other Postretirement Benefits*.

Foreign currency remeasurement and translation. The Company's functional currency is the U.S. dollar for the majority of its foreign operations except for Visa Europe whose functional currency is the euro. Transactions denominated in currencies other than the applicable functional currency are converted to the functional currency at the exchange rate on the transaction date. At period end, monetary assets and liabilities are remeasured to the functional currency using exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are remeasured at historical exchange rates. Resulting foreign currency transaction gains and losses related to conversion and remeasurement are recorded in general and administrative expense in the consolidated statements of operations and were not material for fiscal 2019, 2018 and 2017.

Where a non-U.S. currency is the functional currency, translation from that functional currency to the U.S. dollar is performed for balance sheet accounts using exchange rates in effect at the balance sheet date and for revenue and expense accounts using an average exchange rate for the period. Resulting translation adjustments are reported as a component of accumulated other comprehensive income or loss on the consolidated balance sheets.

Derivative financial instruments. The Company uses foreign exchange forward derivative contracts to reduce its exposure to foreign currency rate changes on forecasted non-functional currency denominated operational cash flows. To qualify for cash flow hedge accounting treatment, the Company formally documents, at inception of the hedge, all relationships between the hedging transactions and the hedged items, as well as the Company's risk management objective and strategy for undertaking various hedging transactions. The Company also formally assesses whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in the cash flows of the hedged items and whether those derivatives may be expected to remain highly effective in future periods.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Derivatives are carried at fair value on a gross basis in either prepaid and other current assets, non-current other assets, accrued liabilities or non-current other liabilities on the consolidated balance sheets. Gains and losses resulting from changes in fair value of derivative instruments designated as cash flow hedges are accounted for either in accumulated other comprehensive income or loss on the consolidated balance sheets, or in the consolidated statements of operations in the corresponding account where revenue or expense is hedged. Gains and losses resulting from changes in fair value of derivative instruments not designated for hedge accounting are recorded in general and administrative for hedges of operating activity, or non-operating income (expense) for hedges of non-operating activity.

Gains and losses related to changes in fair value hedges are recognized in non-operating income (expense) along with a corresponding loss or gain related to the change in value of the underlying hedged item in the same line item in the consolidated statement of operations. The change in value of net investment hedges are recorded in other comprehensive income. Amounts excluded from the effectiveness testing of net investment hedges are recognized in non-operating income (expense). Cash flows associated with derivatives designated as a fair value hedge may be included in operating, investing or financing activities on the consolidated statement of cash flows, depending on the classification of the items being hedged. Cash flows associated with financial instruments designated as net investment hedges are classified as an investing activity. See *Note 12—Derivative and Non-derivative Financial Instruments*.

Non-derivative financial instrument designated as a net investment hedge. The Company designated the euro-denominated deferred cash consideration liability, a non-derivative financial instrument, as a hedge against a portion of the Company's euro-denominated net investment in Visa Europe. Changes in the value of the deferred cash consideration liability, attributable to the change in exchange rates at the end of each reporting period, partially offset the foreign currency translation adjustments resulting from the euro-denominated net investment, are reported as a component of accumulated other comprehensive income or loss on the Company's consolidated balance sheets. See *Note 12—Derivative and Non-derivative Financial Instruments*.

Share-based compensation. The Company recognizes share-based compensation cost using the fair value method of accounting. The Company recognizes compensation cost for awards with only service conditions on a straight-line basis over the requisite service period, which is generally the vesting period. Compensation cost for performance and market-condition-based awards is recognized on a graded-vesting basis. The amount is initially estimated based on target performance and is adjusted as appropriate based on management's best estimate throughout the performance period. See *Note 16—Share-based Compensation*.

Earnings per share. The Company calculates earnings per share using the two-class method to reflect the different rights of each class and series of outstanding common stock. The dilutive effect of incremental common stock equivalents is reflected in diluted earnings per share by application of the treasury stock method. See *Note 15—Earnings Per Share*.

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of goods or services to customers. This new revenue standard replaces all existing revenue recognition guidance in U.S. GAAP. Subsequently, the FASB also issued a series of amendments to the new revenue standard. The new revenue standard changes the classification and timing of recognition of certain client incentives and marketing-related funds paid to customers, as well as revenues and expenses for market development funds and services provided to customers as an incentive. The Company adopted the standard effective October 1, 2018 using the modified retrospective transition method applied to the aggregate of all modifications for contracts not completed as of October 1, 2018. Results for reporting periods beginning after October 1, 2018 are presented under the new revenue standard. The comparative prior period amounts appearing on the financial statements have not been restated and continue to be reported under the prior revenue standard. See *Note 3—Revenues* for the impact of the new revenue standard on the accompanying unaudited consolidated financial statements as of and for the year ended September 30, 2019.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table summarizes the cumulative transition adjustments for the adoption of the new revenue standard recorded on the October 1, 2018 consolidated balance sheet to reflect the aggregate impact to all contracts not completed as of October 1, 2018:

	Fiscal Year 2018 Closing Balance Sheet	Cumulative Transition Adjustment for New Revenue Standard	Fiscal Year 2019 Opening Balance Sheet
(in millions)			
Assets			
Current portion of client incentives	\$ 340	\$ 199	\$ 539
Client incentives	538	614	1,152
Liabilities			
Client incentives	2,834	241	3,075
Accrued liabilities	1,160	6	1,166
Deferred tax liabilities	4,618	108	4,726
Other liabilities	2,666	58	2,724
Equity			
Accumulated income	11,318	400	11,718

In January 2016, the FASB issued ASU 2016-01, which amends certain aspects of recognition, measurement, presentation and disclosure of financial instruments, including the requirement to measure certain equity investments at fair value with changes in fair value recognized in net income. The Company adopted the standard effective October 1, 2018, using the modified retrospective transition method for marketable equity securities and the prospective method for non-marketable equity securities. The Company has elected to use the measurement alternative for non-marketable equity securities, defined as cost adjusted for changes from observable transactions for identical or similar investments of the same issuer, less impairment. The adoption did not have a material impact on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, which requires the recognition of lease assets and lease liabilities arising from operating leases on the balance sheet. Subsequently, the FASB also issued a series of amendments to this new lease standard that address the transition methods available and clarify the guidance for lessor costs and other aspects of the new lease standard. The Company will adopt the standard effective October 1, 2019 and expects to adopt using the modified retrospective transition method without restating comparative periods. The adoption is not expected to have a material impact on the consolidated financial statements.

In October 2016, the FASB issued ASU 2016-16, which requires that entities recognize the income tax consequences of an intra-entity transfer of an asset, other than inventory, when the transfer occurs. The Company adopted the standard effective October 1, 2018. The adoption did not have a material impact on the consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, which requires that a statement of cash flows includes the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents when reconciling the beginning-of-period and end-of-period total amounts. The Company adopted the standard effective October 1, 2018. The adoption impacted the presentation of transactions related to the U.S. litigation escrow account and customer collateral on the consolidated statements of cash flows. The prior period statement of cash flows have been retrospectively adjusted to reflect the impact of this ASU, which had no impact on the Company's balance sheets, statements of operations or statements of comprehensive income for any period.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

In March 2017, the FASB issued ASU 2017-07, which requires that the service cost component of net periodic pension and postretirement benefit cost be presented in the same line item as other employee compensation costs, while the other components be presented separately as non-operating income (expense). In addition, only the service cost component is eligible for capitalization, when applicable. Retrospective application is required for the change in income statement presentation while the change in capitalized benefit cost is required to be applied prospectively. The Company adopted the standard effective October 1, 2018, which did not have a material impact on the consolidated financial statements. The service cost component of net periodic pension and postretirement benefit cost is presented in personnel expenses while the other components are presented in other non-operating expense on the Company's consolidated statement of operations. The Company did not apply the standard retrospectively for the change in income statement presentation as the impact would have been immaterial.

In May 2017, the FASB issued ASU 2017-09, which amends the scope of modification accounting for share-based payment arrangements. Specifically, an entity would not apply modification accounting if the fair value, vesting conditions, and classification of the awards are the same immediately before and after the modification. The Company adopted the standard effective October 1, 2018. The adoption did not have a material impact on the consolidated financial statements.

In August 2017, the FASB issued ASU 2017-12, which improves the financial reporting of hedging instruments to better portray the economic results of an entity's risk management activities in its financial statements. Visa early adopted the standard effective January 1, 2019, which did not have a material impact on the consolidated financial statements.

In February 2018, the FASB issued ASU 2018-02, which allows a reclassification from accumulated other comprehensive income to retained earnings for adjustments to tax effects that were originally recorded in other comprehensive income due to changes in the U.S. federal corporate income tax rate resulting from the enactment of the U.S. tax reform legislation, commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Company will adopt the standard effective October 1, 2019. The adoption is not expected to have a material impact on the consolidated financial statements.

In March 2018, the FASB issued ASU 2018-05 to insert the SEC's interpretive guidance from Staff Accounting Bulletin No. 118 into the income tax accounting codification under U.S. GAAP. The ASU permits companies to use provisional amounts for certain income tax effects of the Tax Act during a one-year measurement period. The Company previously recorded provisional amounts for the transition tax and the tax effects of various other tax provisions enacted by the Tax Act. As permitted by ASU 2018-05, the Company completed the determination of the accounting impacts of the transition tax and the tax effects of these various tax provisions in the three months ended December 31, 2018. The adjustments to the provisional amounts were not material. In addition, the Company adopted the accounting policy of accounting for taxes on global intangible low-tax income ("GILTI") in the period that it is subject to such tax.

In August 2018, the FASB issued ASU 2018-15, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation cost incurred to develop or obtain internal-use software. The Company early adopted this standard effective October 1, 2018. The adoption did not have a material impact on the consolidated financial statements.

Note 2—Acquisitions

In fiscal 2019, the Company acquired several businesses for a total purchase consideration of \$940 million, which consisted of \$886 million in cash and \$54 million of deferred cash consideration. Total purchase consideration has been allocated to the tangible and intangible assets acquired, and to liabilities assumed based on preliminary valuations as the Company continues to gather information necessary to finalize the valuations. These preliminary values may further change in future reporting periods until finalization of the valuations, which will occur no later than the fourth quarter of fiscal 2020. Goodwill of \$643 million was recorded to reflect the excess purchase consideration over net assets acquired, which represents the value that is expected from expanding the Company's product offerings and other synergies. Goodwill that is expected to be deductible for tax purposes amounts to \$360 million.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table summarizes the preliminary purchase price allocation in aggregate for the businesses acquired in fiscal 2019.

	Preliminary Purchase Price Allocation	
	(in millions)	
Net tangible assets acquired (liabilities assumed)	\$	25
Intangible assets		319
Goodwill		643
Total ⁽¹⁾	\$	987

⁽¹⁾ Includes fair value of previously-held interest in the acquired entities of \$47 million.

The following table summarizes the identified intangible assets acquired based on the preliminary purchase price allocations.

	Acquisition Date Fair Value	Weighted-Average Useful Life
	(in millions)	(in years)
Developed technologies	\$ 70	4
Customer relationships	249	12
Total	\$ 319	10

Pro forma information related to the acquisitions has not been presented as the impact is not material to the Company's financial results. Transaction costs incurred in fiscal 2019 were not material and were included in the Company's consolidated statements of operations.

Note 3—Revenues

Impact of the New Revenue Standard

The following tables summarize the impact of the new revenue standard on the Company's consolidated statement of operations for the year ended September 30, 2019 and the consolidated balance sheet as of September 30, 2019:

	For the Year Ended September 30, 2019		
	As Reported	Impact of the New Revenue Standard	Results Under Prior Revenue Standard
	(in millions)		
Net revenues	\$ 22,977	\$ (352)	\$ 22,625
Operating expenses			
Marketing	1,105	(128)	977
Professional fees	454	(19)	435
General and administrative	1,196	(33)	1,163
Total operating expenses	7,976	(180)	7,796
Operating income	15,001	(172)	14,829
Income before income taxes	14,884	(172)	14,712
Income tax provision	2,804	(34)	2,770
Net income	12,080	(138)	11,942

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

	September 30, 2019		
	As Reported	Impact of the New Revenue Standard	Results Under Prior Revenue Standard
	(in millions)		
Assets			
Current portion of client incentives	\$ 741	\$ (306)	\$ 435
Client incentives	2,084	(1,024)	1,060
Liabilities			
Accounts payable	156	28	184
Client incentives	3,997	(498)	3,499
Accrued liabilities	1,625	(54)	1,571
Deferred tax liabilities	4,807	(141)	4,666
Other liabilities	2,939	(127)	2,812
Equity			
Accumulated income	13,502	(538)	12,964

Disaggregation of Revenues

The nature, amount, timing and uncertainty of the Company's revenues and cash flows and how they are affected by economic factors are most appropriately depicted through the Company's revenue categories and geographical markets. The following tables disaggregate the Company's net revenues by revenue category and by geography for the years ended September 30, 2019, 2018, and 2017:

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
Service revenues	\$ 9,700	\$ 8,918	\$ 7,975
Data processing revenues	10,333	9,027	7,786
International transaction revenues	7,804	7,211	6,321
Other revenues	1,313	944	841
Client incentives	(6,173)	(5,491)	(4,565)
Net revenues	\$ 22,977	\$ 20,609	\$ 18,358
	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
U.S.	\$ 10,279	\$ 9,332	\$ 8,704
International	12,698	11,277	9,654
Net revenues	\$ 22,977	\$ 20,609	\$ 18,358

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Note 4—Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents

The Company reconciles cash, cash equivalents, restricted cash and restricted cash equivalents reported in the consolidated balance sheets that aggregate to the beginning and ending balances shown in the consolidated statements of cash flows as follows:

	September 30,		
	2019	2018	2017
	(in millions)		
Cash and cash equivalents	\$ 7,838	\$ 8,162	\$ 9,874
Restricted cash and restricted cash equivalents:			
U.S. litigation escrow	1,205	1,491	1,031
Customer collateral	1,648	1,324	1,106
Prepaid expenses and other current assets	141	—	—
Cash, cash equivalents, restricted cash and restricted cash equivalents	<u>\$ 10,832</u>	<u>\$ 10,977</u>	<u>\$ 12,011</u>

Note 5—U.S. and Europe Retrospective Responsibility Plans

U.S. Retrospective Responsibility Plan

The Company has established several related mechanisms designed to address potential liability under certain litigation referred to as the “U.S. covered litigation.” These mechanisms are included in and referred to as the U.S. retrospective responsibility plan and consist of a U.S. litigation escrow agreement, the conversion feature of the Company’s shares of class B common stock, the indemnification obligations of the Visa U.S.A. members, an interchange judgment sharing agreement, a loss sharing agreement and an omnibus agreement, as amended.

U.S. covered litigation consists of a number of matters that have been settled or otherwise fully or substantially resolved, as well as the following:

- *the Interchange Multidistrict Litigation.* In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation, 1:05-md-01720-JG-JO (E.D.N.Y.) or MDL 1720, including all cases currently included in MDL 1720, any other case that includes claims for damages relating to the period prior to the Company’s IPO that has been or is transferred for coordinated or consolidated pre-trial proceedings at any time to MDL 1720 by the Judicial Panel on Multidistrict Litigation or otherwise included at any time in MDL 1720 by order of any court of competent jurisdiction;
- any claim that challenges the reorganization or the consummation thereof; provided that such claim is transferred for coordinated or consolidated pre-trial proceedings at any time to MDL 1720 by the Judicial Panel on Multidistrict Litigation or otherwise included at any time in MDL 1720 by order of any court of competent jurisdiction; and
- any case brought after October 22, 2015 by a merchant that opted out of the Rule 23(b)(3) settlement class pursuant to the 2012 Settlement Agreement in MDL 1720 that arises out of facts or circumstances substantially similar to those alleged in MDL 1720 and that is not transferred to or otherwise included in MDL 1720. See *Note 20—Legal Matters.*

U.S. litigation escrow agreement. In accordance with the U.S. litigation escrow agreement, the Company maintains an escrow account, from which settlements of, or judgments in, the U.S. covered litigation are paid. The amount of the escrow is determined by the board of directors and the Company’s litigation committee, all members of which are affiliated with, or act for, certain Visa U.S.A. members. The escrow funds are held in money market investments along with the interest earned, less applicable taxes and are classified as restricted cash equivalents on the consolidated balance sheets.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table sets forth the changes in the restricted cash equivalents—U.S. litigation escrow account by fiscal year:

	2019	2018
	(in millions)	
Balance at beginning of period	\$ 1,491	\$ 1,031
Deposits into the litigation escrow account	300	600
Payments to class plaintiffs' settlement fund ⁽¹⁾	(600)	—
Payments to opt-out merchants ⁽¹⁾ and interest earned on escrow funds	14	(140)
Balance at end of period	\$ 1,205	\$ 1,491

⁽¹⁾ These payments are associated with the interchange multidistrict litigation. See *Note 20—Legal Matters*.

The accrual related to the U.S. covered litigation could be either higher or lower than the U.S. litigation escrow account balance. The Company recorded an additional accrual of \$370 million and \$600 million for the U.S. covered litigation during fiscal 2019 and 2018, respectively. See *Note 20—Legal Matters*.

Conversion feature. Under the terms of the plan, when the Company funds the U.S. litigation escrow account, the shares of class B common stock are subject to dilution through an adjustment to the conversion rate of the shares of class B common stock to shares of class A common stock. This has the same economic effect on diluted class A common stock earnings per share as repurchasing the Company's class A common stock, because it reduces the class B conversion rate and consequently the as-converted class A common stock share count. See *Note 14—Stockholders' Equity*.

Indemnification obligations. To the extent that amounts available under the U.S. litigation escrow arrangement and other agreements in the plan are insufficient to fully resolve the U.S. covered litigation, the Company will use commercially reasonable efforts to enforce the indemnification obligations of Visa U.S.A.'s members for such excess amounts, including but not limited to enforcing indemnification obligations pursuant to Visa U.S.A.'s certificate of incorporation and bylaws and in accordance with their membership agreements.

Interchange judgment sharing agreement. Visa U.S.A. and Visa International have entered into an interchange judgment sharing agreement with certain Visa U.S.A. members that have been named as defendants in the interchange multidistrict litigation, which is described in *Note 20—Legal Matters*. Under this judgment sharing agreement, Visa U.S.A. members that are signatories will pay their membership proportion of the amount of a final judgment not allocated to the conduct of Mastercard.

Loss sharing agreement. Visa has entered into a loss sharing agreement with Visa U.S.A., Visa International and certain Visa U.S.A. members. The loss sharing agreement provides for the indemnification of Visa U.S.A., Visa International and, in certain circumstances, Visa with respect to: (i) the amount of a final judgment paid by Visa U.S.A. or Visa International in the U.S. covered litigation after the operation of the interchange judgment sharing agreement, plus any amounts reimbursable to the interchange judgment sharing agreement signatories; or (ii) the damages portion of a settlement of a U.S. covered litigation that is approved as required under Visa U.S.A.'s certificate of incorporation by the vote of Visa U.S.A.'s specified voting members. The several obligation of each bank that is a party to the loss sharing agreement will equal the amount of any final judgment enforceable against Visa U.S.A., Visa International or any other signatory to the interchange judgment sharing agreement, or the amount of any approved settlement of a U.S. covered litigation, multiplied by such bank's then-current membership proportion as calculated in accordance with Visa U.S.A.'s certificate of incorporation.

On October 22, 2015, Visa entered into an amendment to the loss sharing agreement. The amendment includes within the scope of U.S. covered litigation any action brought after the amendment by an opt-out from the Rule 23(b)(3) Settlement Class in MDL 1720 that arises out of facts or circumstances substantially similar to those alleged in MDL 1720 and that is not transferred to or otherwise included in MDL 1720. On the same date, Visa entered into amendments to the interchange judgment sharing agreement and omnibus agreement that include any such action within the scope of those agreements as well.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Omnibus agreement. Visa entered into an omnibus agreement with Mastercard and certain Visa U.S.A. members that confirmed and memorialized the signatories' intentions with respect to the loss sharing agreement, the interchange judgment sharing agreement and other agreements relating to the interchange multidistrict litigation, see *Note 20—Legal Matters*. Under the omnibus agreement, the monetary portion of any settlement of the interchange multidistrict litigation covered by the omnibus agreement would be divided into a Mastercard portion at 33.3333% and a Visa portion at 66.6667%. In addition, the monetary portion of any judgment assigned to Visa-related claims in accordance with the omnibus agreement would be treated as a Visa portion. Visa would have no liability for the monetary portion of any judgment assigned to Mastercard-related claims in accordance with the omnibus agreement, and if a judgment is not assigned to Visa-related claims or Mastercard-related claims in accordance with the omnibus agreement, then any monetary liability would be divided into a Mastercard portion at 33.3333% and a Visa portion at 66.6667%. The Visa portion of a settlement or judgment covered by the omnibus agreement would be allocated in accordance with specified provisions of the Company's U.S. retrospective responsibility plan. The litigation provision on the consolidated statements of operations was not impacted by the execution of the omnibus agreement.

On August 26, 2014, Visa entered into an amendment to the omnibus agreement. The omnibus amendment makes applicable to certain settlements in opt-out cases in the interchange multidistrict litigation the settlement-sharing provisions of the omnibus agreement, pursuant to which the monetary portion of any settlement of the interchange multidistrict litigation covered by the omnibus agreement would be divided into a Mastercard portion at 33.3333% and a Visa portion at 66.6667%. The omnibus amendment also provides that in the event of termination of the class settlement agreement, Visa and Mastercard would make mutually acceptable arrangements so that Visa shall have received two-thirds and Mastercard shall have received one-third of the total of (i) the sums paid to defendants as a result of the termination of the settlement agreement and (ii) the takedown payments previously made to defendants.

Europe Retrospective Responsibility Plan

UK loss sharing agreement. The Company has entered into a loss sharing agreement with Visa Europe and certain of Visa Europe's member financial institutions located in the United Kingdom (the "UK LSA members"). Each of the UK LSA members has agreed, on a several and not joint basis, to compensate the Company for certain losses which may be incurred by the Company, Visa Europe or their affiliates as a result of certain existing and potential litigation relating to the setting and implementation of domestic multilateral interchange fee rates in the United Kingdom prior to the closing of the Visa Europe acquisition (the "Closing"), subject to the terms and conditions set forth therein and, with respect to each UK LSA member, up to a maximum amount of the up-front cash consideration received by such UK LSA member. The UK LSA members' obligations under the UK loss sharing agreement are conditional upon, among other things, either (a) losses valued in excess of the sterling equivalent on June 21, 2016 of €1.0 billion having arisen in UK covered claims (and such losses having reduced the conversion rate of the UK&I preferred stock accordingly), or (b) the conversion rate of the UK&I preferred stock having been reduced to zero pursuant to losses arising in claims relating to multilateral interchange fee rate setting in the Visa Europe territory.

Litigation management deed. The Company has entered into a litigation management deed with Visa Europe which sets forth the agreed upon procedures for the management of the VE territory covered litigation, the allocation of losses resulting from this litigation (the "VE territory covered losses") between the UK&I and Europe preferred stock, and any accelerated conversion or reduction in the conversion rate of the shares of UK&I and Europe preferred stock. The litigation management deed applies only to VE territory covered litigation (and resultant losses and liabilities). The litigation management deed provides that the Company will generally control the conduct of the VE territory covered litigation, subject to certain obligations to report and consult with the litigation management committees for VE territory covered litigation (the "VE territory litigation management committees"). The VE territory litigation management committees, which are composed of representatives of certain Visa Europe members, have also been granted consent rights to approve certain material decisions in relation to the VE territory covered litigation.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The Company obtained certain protections for VE territory covered losses through the UK&I and Europe preferred stock, the UK loss sharing agreement, and the litigation management deed, referred to as the “Europe retrospective responsibility plan.” The plan covers VE territory covered litigation (and resultant liabilities and losses) relating to the covered period, which generally refers to the period before the Closing. Visa’s protection from the plan is further limited to 70% of any liabilities where the claim relates to inter-regional multilateral interchange fee rates where the issuer is located outside the Visa Europe territory, and the merchant is located within the Visa Europe territory. The plan does not protect the Company in Europe against all types of litigation or remedies or fines imposed in competition law enforcement proceedings, only the interchange litigation specifically covered by the plan’s terms.

Unlike the U.S. retrospective responsibility plan, the Europe retrospective responsibility plan does not have an escrow account that is used to fund settlements or judgments. The Company is entitled to recover VE territory covered losses through a periodic adjustment to the class A common stock conversion rates applicable to the UK&I and Europe preferred stock. The total amount of protection available through the preferred stock component of the Europe retrospective responsibility plan is equivalent to the as-converted value of the preferred stock, which can be calculated at any point in time as the product of: (a) the outstanding number of shares of preferred stock; (b) the current conversion rate applicable to each class of preferred stock; and (c) Visa’s class A common stock price. This amount differs from the value of the preferred stock recorded within stockholders’ equity on the Company’s consolidated balance sheets. The book value of the preferred stock reflects its historical value recorded at the Closing less VE territory covered losses recovered through a reduction of the applicable conversion rate. The book value does not reflect changes in the underlying class A common stock price subsequent to the Closing.

Visa Inc. net income will not be impacted by VE territory covered losses as long as the as-converted value of the preferred stock is greater than the covered loss. VE territory covered losses will be recorded when the loss is deemed to be probable and reasonably estimable, or in the case of attorney’s fees, when incurred. Concurrently, the Company will record a reduction to stockholders’ equity, which represents the Company’s right to recover such losses through adjustments to the conversion rate applicable to the preferred stock. The reduction to stockholders’ equity is recorded in a contra-equity account referred to as “right to recover for covered losses.”

VE territory covered losses may be recorded before the corresponding adjustment to the applicable conversion rate is effected. Adjustments to the conversion rate may be executed once in any six-month period unless a single, individual loss greater than €20 million is incurred, in which case, the six-month limitation does not apply. When the adjustment to the conversion rate is made, the amount previously recorded in “right to recover for covered losses” as contra-equity will then be recorded against the book value of the preferred stock within stockholders’ equity.

During the year ended September 30, 2019, the Company recovered \$8 million of VE territory covered losses through adjustments to the class A common stock conversion rates applicable to the UK&I and Europe preferred stock. The conversion rates applicable to the UK&I and Europe preferred stock were reduced from 12.955 and 13.888, respectively, as of September 30, 2018 to 12.936 and 13.884, respectively, as of September 30, 2019.

The following table sets forth the activities related to VE territory covered losses in preferred stock and “right to recover for covered losses” within equity during the year ended September 30, 2019. VE territory covered losses incurred reflect settlements with merchants and additional legal costs. See *Note 20—Legal Matters*.

	Preferred Stock		Right to Recover for Covered Losses
	UK&I	Europe	
	(in millions)		
Balance as of September 30, 2018	\$ 2,291	\$ 3,179	\$ (7)
VE territory covered losses incurred	—	—	(172)
Recovery through conversion rate adjustment	(6)	(2)	8
Balance as of September 30, 2019	\$ 2,285	\$ 3,177	\$ (171)

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table⁽¹⁾ sets forth the as-converted value of the preferred stock available to recover VE territory covered losses compared to the book value of preferred shares recorded in stockholders' equity within the Company's consolidated balance sheets as of September 30, 2019 and 2018:

	September 30, 2019		September 30, 2018	
	As-converted Value of Preferred Stock ⁽²⁾	Book Value of Preferred Stock	As-converted Value of Preferred Stock ⁽³⁾	Book Value of Preferred Stock
	(in millions)			
UK&I preferred stock	\$ 5,519	\$ 2,285	\$ 4,823	\$ 2,291
Europe preferred stock	7,539	3,177	6,580	3,179
Total	13,058	5,462	11,403	5,470
Less: right to recover for covered losses	(171)	(171)	(7)	(7)
Total recovery for covered losses available	\$ 12,887	\$ 5,291	\$ 11,396	\$ 5,463

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. As-converted and book values are based on unrounded numbers.

⁽²⁾ The as-converted value of preferred stock is calculated as the product of: (a) 2 million and 3 million shares of the UK&I and Europe preferred stock outstanding, respectively, as of September 30, 2019; (b) 12.936 and 13.884, the class A common stock conversion rate applicable to the UK&I and Europe preferred stock outstanding, respectively, as of September 30, 2019; and (c) \$172.01, Visa's class A common stock closing stock price as of September 30, 2019. Earnings per share is calculated based on unrounded numbers.

⁽³⁾ The as-converted value of preferred stock is calculated as the product of: (a) 2 million and 3 million shares of the UK&I and Europe preferred stock outstanding, respectively, as of September 30, 2018; (b) 12.955 and 13.888, the class A common stock conversion rate applicable to the UK&I and Europe preferred stock outstanding, respectively, as of September 30, 2018; and (c) \$150.09, Visa's class A common stock closing stock price as of September 30, 2018. Earnings per share is calculated based on unrounded numbers.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Note 6—Fair Value Measurements and Investments

The Company measures certain assets and liabilities at fair value. See *Note 1—Summary of Significant Accounting Policies*.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

	Fair Value Measurements at September 30 Using Inputs Considered as			
	Level 1		Level 2	
	2019	2018	2019	2018
(in millions)				
Assets				
Cash equivalents and restricted cash equivalents:				
Money market funds	\$ 6,494	\$ 6,252		
U.S. government-sponsored debt securities			\$ 150	\$ 1,048
Investment securities:				
Marketable equity securities	126	113		
U.S. government-sponsored debt securities			5,592	5,008
U.S. Treasury securities	675	2,508		
Other current and non-current assets:				
Derivative instruments			437	78
Total	\$ 7,295	\$ 8,873	\$ 6,179	\$ 6,134
Liabilities				
Accrued compensation and benefits:				
Deferred compensation liability	\$ 113	\$ 96		
Accrued and other liabilities:				
Derivative instruments			\$ 52	\$ 22
Total	\$ 113	\$ 96	\$ 52	\$ 22

There were no transfers between Level 1 and Level 2 assets during fiscal 2019.

Level 1 assets and liabilities. Money market funds, marketable equity securities and U.S. Treasury securities are classified as Level 1 within the fair value hierarchy, as fair value is based on quoted prices in active markets. The Company's deferred compensation liability is measured at fair value based on marketable equity securities held under the deferred compensation plan.

Level 2 assets and liabilities. The fair value of U.S. government-sponsored debt securities, as provided by third-party pricing vendors, is based on quoted prices in active markets for similar, not identical, assets. The pricing data obtained from outside sources is reviewed internally for reasonableness, compared against benchmark quotes from independent pricing sources, then confirmed or revised accordingly. Derivative instruments are valued using inputs that are observable in the market or can be derived principally from or corroborated by observable market data. There were no substantive changes to the valuation techniques and related inputs used to measure fair value during fiscal 2019.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

U.S. government-sponsored debt securities and U.S. Treasury securities. The Company classifies U.S. government-sponsored debt securities and U.S. Treasury securities as available-for-sale. The amortized cost, unrealized gains and losses and fair value of debt securities are as follows:

	September 30, 2019				September 30, 2018			
	Amortized Cost	Gross Unrealized		Fair Value	Amortized Cost	Gross Unrealized		Fair Value
		Gains	Losses			Gains	Losses	
	(in millions)							
U.S. government-sponsored debt securities	\$ 5,590	\$ 4	\$ (2)	\$ 5,592	\$ 5,016	\$ —	\$ (8)	\$ 5,008
U.S. Treasury securities	672	3	—	675	2,516	—	(8)	2,508
Total	\$ 6,262	\$ 7	\$ (2)	\$ 6,267	\$ 7,532	\$ —	\$ (16)	\$ 7,516
Less: current portion				\$ (4,110)				\$ (3,434)
Long-term debt securities				\$ 2,157				\$ 4,082

Debt securities are presented below in accordance with their stated maturities. A portion of these investments, \$2.2 billion, are classified as non-current, as they have stated maturities of more than one year from the balance sheet date. However, these investments are generally available to meet short-term liquidity needs.

	Fair Value
	(in millions)
September 30, 2019:	
Due within one year	\$ 4,110
Due after 1 year through 5 years	2,157
Total	\$ 6,267

Assets Measured at Fair Value on a Non-recurring Basis

Non-marketable equity securities. The Company's non-marketable equity securities are investments in privately held companies without readily determinable market values. These investments are classified as Level 3 due to the absence of quoted market prices, the inherent lack of liquidity and the fact that inputs used to measure fair value are unobservable and require management's judgment.

The following table summarizes the total carrying value of our non-marketable equity securities held as of September 30, 2019 including unrealized gains and losses since the adoption of ASU 2016-01:

	For the Year Ended September 30, 2019
	(in millions)
Carrying amount, beginning of period	\$ 137
Adjustments related to non-marketable equity securities:	
Net additions (reductions) ⁽¹⁾	475
Upward adjustments	110
Downward adjustments ⁽²⁾	(4)
Carrying amount, end of period	\$ 718

⁽¹⁾ Net reductions include transfers to marketable equity securities upon investments becoming a public company.

⁽²⁾ There were no significant impairment charges of non-marketable equity securities during fiscal 2019, 2018 and 2017.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Non-financial assets and liabilities. Long-lived assets such as goodwill, indefinite-lived intangible assets, finite-lived intangible assets and property, equipment and technology are considered non-financial assets. The Company does not have any non-financial liabilities measured at fair value on a non-recurring basis. Finite-lived intangible assets primarily consist of customer relationships, trade names and reseller relationships, all of which were obtained through acquisitions. See *Note 8—Intangible Assets and Goodwill*.

If the Company were required to perform a quantitative assessment for impairment testing of goodwill and indefinite-lived intangible assets, the fair values would generally be estimated using an income approach. As the assumptions employed to measure these assets on a non-recurring basis are based on management's judgment using internal and external data, these fair value determinations are classified as Level 3 in the fair value hierarchy. The Company completed its annual impairment review of its indefinite-lived intangible assets and goodwill as of February 1, 2019, and concluded that there was no impairment. No recent events or changes in circumstances indicate that impairment existed at September 30, 2019. See *Note 1—Summary of Significant Accounting Policies*.

Investment Income

Investment income is recorded as non-operating income in the Company's consolidated statements of operations and consisted of the following:

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
Interest and dividend income on cash and investments	\$ 247	\$ 173	\$ 92
Realized gains (losses), net on debt securities	1	—	(1)
Equity securities:			
Unrealized gains (losses), net	117	2	6
Realized gains (losses), net from donation	—	193	—
Realized gains (losses), net	18	102	8
Investment income	\$ 383	\$ 470	\$ 105

Other Fair Value Disclosures

Long-term debt. Debt instruments are measured at amortized cost on the Company's consolidated balance sheets. The fair value of the debt instruments, as provided by third-party pricing vendors, is based on quoted prices in active markets for similar, not identical, assets. The pricing data obtained from outside sources is reviewed internally for reasonableness, compared against benchmark quotes from independent pricing sources, then confirmed or revised accordingly. If measured at fair value in the financial statements, these instruments would be classified as Level 2 in the fair value hierarchy. The carrying value and estimated fair value of long-term debt was \$16.7 billion and \$18.4 billion as of September 30, 2019. The carrying value and estimated fair value of long-term debt were both \$16.6 billion as of September 30, 2018.

Other Financial Instruments not Measured at Fair Value

The following financial instruments are not measured at fair value on the Company's consolidated balance sheet at September 30, 2019, but require disclosure of their fair values: settlement receivable and payable, accounts receivable and customer collateral. The estimated fair value of such instruments at September 30, 2019 approximates their carrying value due to their generally short maturities. If measured at fair value in the financial statements, these financial instruments would be classified as Level 2 in the fair value hierarchy.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Note 7—Property, Equipment and Technology, Net

Property, equipment and technology, net, consisted of the following:

	September 30, 2019	September 30, 2018
	(in millions)	
Land	\$ 71	\$ 69
Buildings and building improvements	965	898
Furniture, equipment and leasehold improvements	1,913	1,661
Construction-in-progress	180	153
Technology	3,441	2,916
Total property, equipment and technology	6,570	5,697
Accumulated depreciation and amortization	(3,875)	(3,225)
Property, equipment and technology, net	\$ 2,695	\$ 2,472

Technology consists of both purchased and internally developed software. Internally developed software primarily represents software utilized by the VisaNet electronic payments network. At September 30, 2019 and 2018, accumulated amortization for technology was \$2.3 billion and \$1.9 billion, respectively.

At September 30, 2019, estimated future amortization expense on technology is as follows:

	For the Years Ending September 30,						
	2020	2021	2022	2023	2024	Thereafter	Total
	(in millions)						
Estimated future amortization expense	\$ 355	\$ 297	\$ 226	\$ 145	\$ 70	\$ 24	\$ 1,117

Depreciation and amortization expense related to property, equipment and technology was \$596 million, \$558 million and \$500 million for fiscal 2019, 2018 and 2017, respectively. Included in those amounts was amortization expense on technology of \$357 million, \$312 million and \$285 million for fiscal 2019, 2018 and 2017, respectively.

Note 8—Intangible Assets and Goodwill

Indefinite-lived and finite-lived intangible assets consisted of the following:

	September 30, 2019			September 30, 2018		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
	(in millions)					
Finite-lived intangible assets:						
Customer relationships	\$ 701	\$ (314)	\$ 387	\$ 452	\$ (274)	\$ 178
Trade names	199	(120)	79	199	(106)	93
Reseller relationships	95	(86)	9	95	(82)	13
Other	17	(13)	4	17	(11)	6
Total finite-lived intangible assets	1,012	(533)	479	763	(473)	290
Indefinite-lived intangible assets:						
Customer relationships and reacquired rights	22,217	—	22,217	23,184	—	23,184
Visa trade name	4,084	—	4,084	4,084	—	4,084
Total indefinite-lived intangible assets	26,301	—	26,301	27,268	—	27,268
Total intangible assets	\$ 27,313	\$ (533)	\$ 26,780	\$ 28,031	\$ (473)	\$ 27,558

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Amortization expense related to finite-lived intangible assets was \$60 million, \$55 million and \$56 million for fiscal 2019, 2018 and 2017, respectively. At September 30, 2019, estimated future amortization expense on finite-lived intangible assets is as follows:

	For the Years Ending September 30,						Total
	2020	2021	2022	2023	2024	Thereafter	
	(in millions)						
Estimated future amortization expense	\$ 79	\$ 79	\$ 73	\$ 51	\$ 49	\$ 146	\$ 477

The change in goodwill during the years ended September 30, 2019 and 2018 are as follows:

	September 30, 2019		September 30, 2018	
	(in millions)			
Goodwill—beginning of fiscal year	\$	15,194	\$	15,110
Goodwill from acquisitions, net of adjustments		643		130
Foreign currency translation		(181)		(46)
Goodwill—end of fiscal year	\$	15,656	\$	15,194

For additional information on the current year acquisitions, see *Note 2—Acquisitions*.

There was no impairment related to the Company's finite-lived or indefinite-lived intangible assets (including goodwill) during fiscal 2019, 2018 or 2017.

Note 9—Debt

The Company had outstanding debt as follows:

	September 30, 2019		September 30, 2018		Effective Interest Rate ⁽¹⁾
	(in millions, except percentages)				
2.20% Senior Notes due December 2020	\$	3,000	\$	3,000	2.30%
2.15% Senior Notes due September 2022		1,000		1,000	2.30%
2.80% Senior Notes due December 2022		2,250		2,250	2.89%
3.15% Senior Notes due December 2025		4,000		4,000	3.26%
2.75% Senior Notes due September 2027		750		750	2.91%
4.15% Senior Notes due December 2035		1,500		1,500	4.23%
4.30% Senior Notes due December 2045		3,500		3,500	4.37%
3.65% Senior Notes due September 2047		750		750	3.73%
Total senior notes	\$	16,750	\$	16,750	
Unamortized discounts and debt issuance costs		(108)		(120)	
Hedge accounting fair value adjustments ⁽²⁾		87		—	
Total long-term debt	\$	16,729	\$	16,630	

⁽¹⁾ Effective interest rates disclosed do not reflect hedge accounting adjustments.

⁽²⁾ Represents the change in fair value of interest rate swap agreements entered into on a portion of the outstanding Senior Notes. See *Note 1—Summary of Significant Accounting Policies* and *Note 12—Derivative and Non-derivative Financial Instruments*.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Senior Notes

The Company's outstanding senior notes, or collectively, the "Notes", are senior unsecured obligations of the Company, ranking equally and ratably among themselves and with the Company's existing and future unsecured and unsubordinated debt. The Notes are not secured by any assets of the Company and are not guaranteed by any of the Company's subsidiaries. The Company was in compliance with all related covenants as of September 30, 2019. Each series of Notes may be redeemed as a whole or in part at the Company's option at any time at specified redemption prices.

At September 30, 2019, future principal payments on the Company's outstanding debt are as follows:

	For the Years Ending September 30,						Total
	2020	2021	2022	2023	2024	Thereafter	
	(in millions)						
Future principal payments	\$ —	\$ 3,000	\$ 1,000	\$ 2,250	\$ —	\$ 10,500	\$ 16,750

Commercial Paper Program

Visa maintains a commercial paper program to support its working capital requirements and for other general corporate purposes. Under the program, the Company is authorized to issue up to \$3.0 billion in outstanding notes, with maturities up to 397 days from the date of issuance. The Company had no outstanding obligations under the program as of September 30, 2019 and 2018.

Credit Facility

On July 25, 2019, the Company entered into an amended and restated credit agreement for a 5 year, unsecured \$5.0 billion revolving credit facility (the "Credit Facility"), which will expire on July 25, 2024. The Credit Facility is no longer governed by any financial covenants. This Credit Facility is maintained to ensure the integrity of the payment card settlement process and for general corporate purposes. Interest on borrowings under the Credit Facility will be charged at the London Interbank Offered Rate or an alternative base rate, in each case plus applicable margins that fluctuate based on the applicable credit rating of the Company's senior unsecured long-term debt. The Company has agreed to pay a commitment fee which will fluctuate based on such applicable rating of the Company. The Company had no amounts outstanding under the Credit Facility as of September 30, 2019 and 2018.

Note 10—Pension and Other Postretirement Benefits

The Company sponsors various qualified and non-qualified defined benefit pension and other postretirement benefit plans that provide for retirement and medical benefits for all eligible employees residing in the U. S. The Company also sponsors other pension benefit plans that provide benefits for internationally-based employees at certain non-U.S. locations.

Disclosures presented below include the U.S. pension plans and the non-U.S. plans, comprising only the Visa Europe plans. Disclosures relating to other U.S. postretirement benefit plans and other non-U.S. pension benefit plans are not included as they are immaterial, individually and in aggregate. The Company uses a September 30 measurement date for its pension and other postretirement benefit plans.

Defined benefit pension plans. The U.S. pension benefits under the defined benefit pension plan were earned based on a cash balance formula. An employee's cash balance account was credited with an amount equal to 6% of eligible compensation plus interest based on 30-year Treasury securities. In October 2015, the Company's board of directors approved an amendment of the U.S. qualified defined benefit pension plan such that the Company discontinued employer provided credits after December 31, 2015. Plan participants continue to earn interest credits on existing balances at the time of the freeze.

The funding policy for the U.S. pension benefits is to contribute annually no less than the minimum required contribution under ERISA.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Under the Visa Europe plans, retirement benefits are provided based on the participants' final pensionable pay and are currently closed to new entrants. However, future benefits continue to accrue for active participants. The funding policy is to contribute in accordance with the appropriate funding requirements agreed with the trustees of the UK pension plans. Additional funding amounts may be agreed to with the UK pension plan trustees.

Summary of Plan Activities

Reconciliation of pension benefit obligations, plan assets, funded status and amounts recognized in the Company's consolidated balance sheets:

	U.S. Plans		Non-U.S. Plans	
	September 30,		September 30,	
	2019	2018	2019	2018
	(in millions)			
Change in Pension Benefit Obligation:				
Benefit obligation—beginning of fiscal year	\$ 844	\$ 913	\$ 452	\$ 433
Service cost	—	—	4	4
Interest cost	32	32	13	12
Actuarial loss (gain)	95	(38)	109	24
Benefit payments	(52)	(63)	(22)	(9)
Plan amendment	—	—	1	—
Foreign currency exchange rate changes	—	—	(29)	(12)
Benefit obligation—end of fiscal year	\$ 919	\$ 844	\$ 528	\$ 452
Accumulated benefit obligation	\$ 919	\$ 844	\$ 528	\$ 452
Change in Plan Assets:				
Fair value of plan assets—beginning of fiscal year	\$ 1,090	\$ 1,074	\$ 436	\$ 433
Actual return on plan assets	52	78	93	13
Company contribution	—	1	10	11
Benefit payments	(52)	(63)	(22)	(9)
Foreign currency exchange rate changes	—	—	(27)	(12)
Fair value of plan assets—end of fiscal year	\$ 1,090	\$ 1,090	\$ 490	\$ 436
Funded status at end of fiscal year	\$ 171	\$ 246	\$ (38)	\$ (16)
Recognized in Consolidated Balance Sheets:				
Non-current asset	\$ 178	\$ 252	\$ —	\$ —
Current liability	(1)	(1)	—	(10)
Non-current liability	(6)	(5)	(38)	(6)
Funded status at end of fiscal year	\$ 171	\$ 246	\$ (38)	\$ (16)

Amounts recognized in accumulated other comprehensive income before tax:

	U.S. Plans		Non-U.S. Plans	
	September 30,		September 30,	
	2019	2018	2019	2018
	(in millions)			
Net actuarial loss	\$ 154	\$ 47	\$ 70	\$ 39

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Benefit obligations in excess of plan assets:

	U.S. Plans		Non-U.S. Plans	
	September 30,		September 30,	
	2019	2018	2019	2018
	(in millions)			
Accumulated benefit obligation in excess of plan assets				
Accumulated benefit obligation—end of year	\$ (7)	\$ (6)	\$ (528)	\$ (452)
Fair value of plan assets—end of year	\$ —	\$ —	\$ 490	\$ 436
Projected benefit obligation in excess of plan assets				
Benefit obligation—end of year	\$ (7)	\$ (6)	\$ (528)	\$ (452)
Fair value of plan assets—end of year	\$ —	\$ —	\$ 490	\$ 436

Net periodic pension cost:

	U.S. Plans			Non-U.S. Plans		
	For the Years Ended September 30,					
	2019	2018	2017	2019	2018	2017
	(in millions)					
Service cost	\$ —	\$ —	\$ —	\$ 4	\$ 4	\$ 6
Interest cost	32	32	36	13	12	11
Expected return on assets	(71)	(70)	(70)	(18)	(20)	(16)
Amortization of actuarial loss	—	—	15	—	—	2
Settlement loss	7	3	15	—	—	—
Total net periodic benefit cost	\$ (32)	\$ (35)	\$ (4)	\$ (1)	\$ (4)	\$ 3

Other changes in plan assets and benefit obligations recognized in other comprehensive income:

	U.S. Plans			Non-U.S. Plans		
	For the Years Ended September 30,					
	2019	2018	2017	2019	2018	2017
	(in millions)					
Current year actuarial loss (gain)	\$ 114	\$ (47)	\$ (113)	\$ 27	\$ 30	\$ (53)
Amortization of actuarial (loss) gain	(7)	(3)	(30)	—	—	(2)
Current year prior service cost	—	—	—	1	—	—
Total recognized in other comprehensive income	\$ 107	\$ (50)	\$ (143)	\$ 28	\$ 30	\$ (55)
Total recognized in net periodic benefit cost and other comprehensive income	\$ 75	\$ (85)	\$ (147)	\$ 27	\$ 26	\$ (52)

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Weighted-Average Actuarial Assumptions:

	U.S. Plans			Non-U.S. Plans		
	For the Years Ended September 30,					
	2019	2018	2017	2019	2018	2017
Discount rate⁽¹⁾ for benefit obligation:						
Pension	3.26%	4.23%	3.84%	1.80%	2.90%	2.70%
Discount rate for net periodic benefit cost:						
Pension	4.23%	3.84%	3.62%	2.90%	2.70%	2.40%
Expected long-term rate of return on plan assets ⁽²⁾	7.00%	7.00%	7.00%	3.00%	4.25%	4.50%
Rate of increase⁽³⁾ in compensation levels for:						
Benefit obligation	NA	NA	NA	2.50%	3.20%	3.20%
Net periodic benefit cost	NA	NA	NA	2.50%	3.20%	3.20%

⁽¹⁾ Represents a single weighted-average discount rate derived based on a cash flow matching analysis, with the projected benefit payments matching spot rates from a yield curve developed from high-quality corporate bonds.

⁽²⁾ Primarily based on the targeted allocation, and evaluated for reasonableness by considering such factors as: (i) actual return on plan assets; (ii) historical rates of return on various asset classes in the portfolio; (iii) projections of returns on various asset classes; and (iv) current and prospective capital market conditions and economic forecasts.

⁽³⁾ This assumption is not applicable for the U.S. plans due to the amendment of the U.S. qualified defined benefit pension plan in October 2015, which discontinued the employer provided credits effective after December 31, 2015.

Pension Plan Assets

Pension plan assets are managed with a long-term perspective to ensure that there is an adequate level of assets to support benefit payments to participants over the life of the pension plan. Pension plan assets are managed by external investment managers. Investment manager performance is measured against benchmarks for each asset class on a quarterly basis. An independent consultant assists management with investment manager selections and performance evaluations.

Pension plan assets are broadly diversified to maintain a prudent level of risk and to provide adequate liquidity for benefit payments. The Company generally evaluates and rebalances pension plan assets, as appropriate, to ensure that allocations are consistent with its investment strategy and within target allocation ranges. For U.S. pension plan assets, the Company's investment strategy is to invest in the following: equity securities of 50% to 80%, fixed income securities of 25% to 35% and other, primarily consisting of cash equivalents to meet near term expected benefit payments and expenses, of up to 7%. At September 30, 2019, U.S. pension plan asset allocations for these categories were 65%, 33% and 2%, respectively, which were within target allocation ranges.

For non-U.S. pension plan assets, the Company's investment strategy is to invest in the following: equity securities of 15%, interest and inflation hedging assets of 40% and other of 45%, consisting of cash and cash equivalents, corporate debt and asset-backed securities, multi-asset funds and property. At September 30, 2019, non-U.S. pension plan asset allocations for these categories were 14%, 48% and 38%, respectively, which generally aligned with the target allocations.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following tables set forth by level, within the fair value hierarchy, the pension plans' investments at fair value as of September 30, 2019 and 2018, including the impact of transactions that were not settled at the end of September:

U.S. Plans							
Fair Value Measurements at September 30 Using Inputs Considered as							
Level 1		Level 2		Level 3		Total	
2019	2018	2019	2018	2019	2018	2019	2018
(in millions)							
Cash equivalents	\$ 18	\$ 65				\$ 18	\$ 65
Collective investment funds			\$ 580	\$ 571		580	571
Corporate debt securities			188	187		188	187
U.S. government-sponsored debt securities			35	30		35	30
U.S. Treasury securities	99	62				99	62
Asset-backed securities					\$ 37	\$ 34	37
Equity securities	133	141				133	141
Total	\$ 250	\$ 268	\$ 803	\$ 788	\$ 37	\$ 34	\$ 1,090

Non-U.S. Plans							
Fair Value Measurements at September 30 Using Inputs Considered as							
Level 1		Level 2		Level 3		Total	
2019	2018	2019	2018	2019	2018	2019	2018
(in millions)							
Cash and cash equivalents	\$ 16	\$ 6				\$ 16	\$ 6
Corporate debt securities			\$ 44			44	—
Asset-backed securities					\$ 51	\$ 33	51
Equity securities	66	68				66	68
Multi-asset securities ⁽¹⁾			313	\$ 329		313	329
Total	\$ 82	\$ 74	\$ 357	\$ 329	\$ 51	\$ 33	\$ 490

⁽¹⁾ Multi-asset securities represent pension plan assets that are invested in funds comprised of broad ranges of assets.

Level 1 assets. Cash equivalents (money market funds and time deposits), U.S. Treasury securities and equity securities are classified as Level 1 within the fair value hierarchy, as fair value is based on quoted prices in active markets.

Level 2 assets. Collective investment funds are unregistered investment vehicles that generally commingle the assets of multiple fiduciary clients, such as pension and other employee benefit plans, to invest in portfolio of stocks, bonds or other securities. Although the collective investment funds held by the plan are ultimately invested in publicly traded equity securities, their own unit values are not directly observable, and therefore they are classified as Level 2. The fair values of corporate debt, multi-asset, derivatives and U.S. government-sponsored securities are based on quoted prices in active markets for similar assets as provided by third-party pricing vendors. This pricing data is reviewed internally for reasonableness through comparisons with benchmark quotes from independent third-party sources. Based on this review, the valuation is confirmed or revised accordingly.

Level 3 assets. Asset-backed securities are bonds that are backed by various types of assets and primarily consist of mortgage-backed securities. Asset-backed securities are classified as Level 3 due to a lack of observable inputs in measuring fair value.

There were no transfers between Level 1 and Level 2 assets during fiscal 2019 or 2018. A roll-forward of Level 3 plan assets measured at fair value is not presented because activities during fiscal 2019 and 2018 were immaterial.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Cash Flows

	U.S. Plans	Non-U.S. Plans
	(in millions)	
Actual employer contributions		
2019	\$ —	\$ 10
2018	1	11
Expected employer contributions		
2020	1	10
Expected benefit payments		
2020	127	6
2021	92	6
2022	86	6
2023	82	6
2024	74	6
2025-2029	293	34

Other Benefits

The Company sponsors a defined contribution plan, or 401(k) plan, that covers substantially all of its employees residing in the U.S. Personnel costs included \$121 million, \$93 million, and \$58 million in fiscal 2019, 2018 and 2017, respectively, for expenses attributable to the Company's employees under the 401(k) plan. The Company's contributions to this 401(k) plan are funded on a current basis, and the related expenses are recognized in the period that the payroll expenses are incurred.

Note 11—Settlement Guarantee Management

The Company indemnifies its clients for settlement losses suffered due to failure of any other client to fund its settlement obligations in accordance with the Visa operating rules. This indemnification creates settlement risk for the Company due to the difference in timing between the date of a payment transaction and the date of subsequent settlement.

Historically, the Company has experienced minimal losses as a result of its settlement risk guarantee. However, the Company's future obligations, which could be material under its guarantees, are not determinable as they are dependent upon future events.

The Company's settlement exposure is limited to the amount of unsettled Visa payment transactions at any point in time, which vary significantly day to day. The Company's maximum settlement exposure was \$92.0 billion and the average daily settlement exposure was \$57.1 billion during the year ended September 30, 2019.

The Company maintains and regularly reviews global settlement risk policies and procedures to manage settlement exposure, which may require clients to post collateral if certain credit standards are not met. At September 30, 2019 and 2018, the Company held the following collateral to manage settlement exposure:

	September 30, 2019	September 30, 2018
	(in millions)	
Restricted cash equivalents	\$ 1,648	\$ 1,708
Pledged securities at market value	259	192
Letters of credit	1,293	1,382
Guarantees	477	860
Total	\$ 3,677	\$ 4,142

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019**Note 12—Derivative and Non-derivative Financial Instruments*****Derivative Financial Instruments***

Designated derivative financial instrument hedges. The aggregate notional amount of the Company's derivative contracts outstanding in its hedge program was \$10.9 billion at September 30, 2019 and \$2.5 billion at September 30, 2018.

Cash Flow Hedges

As of September 30, 2019 and 2018, the Company's cash flow hedges in an asset position totaled \$47 million and \$78 million, respectively, and were classified in prepaid expenses and other current assets on the consolidated balance sheets. As of September 30, 2019 and 2018 cash flow hedges in a liability position totaled \$31 million and \$20 million, respectively, and were classified in accrued liabilities on the consolidated balance sheets. These amounts are subject to master netting agreements, which provide the Company with a legal right to net settle multiple payable and receivable positions with the same counterparty, in a single currency through a single payment. However, the Company presents fair values on a gross basis on the consolidated balance sheets. See *Note 1—Summary of Significant Accounting Policies*.

The Company uses regression analysis to assess hedge effectiveness prospectively and retrospectively. The effectiveness tests are performed on foreign exchange forward contracts based on changes in the spot rate of the derivative instrument compared to changes in the spot rate of the forecasted hedged transaction. Forward points are excluded from effectiveness testing and measurement purposes. Excluded forward points are reported in earnings. For fiscal 2019, 2018 and 2017, the amounts by which earnings were reduced relating to excluded forward points from cash flow hedges were \$12 million, \$9 million and \$18 million, respectively.

The effective portion of changes in the fair value of derivative contracts designated as cash flow hedges is recorded as a component of accumulated other comprehensive income or loss on the consolidated balance sheets. When the forecasted transaction occurs and is recognized in earnings, the amount in accumulated other comprehensive income or loss related to that hedge is reclassified to operating revenue or expense. The Company expects to reclassify \$22 million of pre-tax gains to earnings during fiscal 2020.

Net Investment and Fair Value Hedges

In fiscal 2019, the Company entered into foreign exchange forward contracts which were designated as a net investment hedge against a portion of the Company's \$18.8 billion net investment in Visa Europe as of September 30, 2019.

In fiscal 2019, the Company also entered into interest rate and cross-currency swap agreements on a portion of the Company's outstanding 3.15% Senior Notes due December 2025. The Company designated the interest rate swap as a fair value hedge and the cross-currency swap as a net investment hedge. There were no swap agreements outstanding as of September 30, 2018.

As of September 30, 2019, the Company's net investment hedges in an asset position totaled \$298 million and were classified in prepaid expenses and other current assets and other assets on the consolidated balance sheets, and no net investment hedges were in a liability position. There were no derivative instruments designated as a net investment hedge outstanding as of September 30, 2018.

As of September 30, 2019, the Company's fair value hedges in an asset position totaled \$89 million and were classified in other assets on the consolidated balance sheets, while fair value hedges in a liability position totaled \$2 million and were classified in other liabilities on the consolidated balance sheets. There were no fair value hedges outstanding as of September 30, 2018.

For fiscal 2019, the Company recorded an increase in earnings of \$95 million related to forward points and interest differentials from forward contracts and swap agreements, respectively, which are excluded from effectiveness testing.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019*Non-designated derivative financial instrument hedges*

The Company utilizes foreign exchange derivative contracts to hedge against foreign currency exchange rate fluctuations related to certain monetary assets and liabilities denominated in foreign currency. As of September 30, 2019 and 2018, the aggregate notional amount of these balance sheet hedges was \$0.8 billion and \$1.2 billion, respectively.

Credit and market risks. The Company's derivative financial instruments are subject to both credit and market risk. The Company monitors the credit-worthiness of the financial institutions that are counterparties to its derivative financial instruments and does not consider the risks of counterparty nonperformance to be significant. The Company mitigates this risk by entering into master netting agreements, and such agreements require each party to post collateral against its net liability position with the respective counterparty. As of September 30, 2019, the Company has received collateral of \$34 million, from counterparties, which is included in accrued liabilities in the consolidated balance sheets, and posted collateral of \$33 million, which is included in prepaid expenses and other current assets in the consolidated balance sheets. Notwithstanding the Company's efforts to manage foreign exchange risk, there can be no absolute assurance that its hedging activities will adequately protect against the risks associated with foreign currency fluctuations. Credit and market risks related to derivative instruments were not considered significant as of September 30, 2019.

Non-derivative Financial Instrument Designated as a Net Investment Hedge

As of September 30, 2018, the Company had designated \$1.1 billion of its euro-denominated deferred cash consideration liability, a non-derivative financial instrument, as a hedge against a portion of the foreign currency exchange rate exposure of the Company's euro-denominated net investment in Visa Europe. In June 2019, the Company paid the deferred consideration and therefore there were no hedged non-derivative financial instruments as of September 30, 2019.

Note 13—Enterprise-wide Disclosures and Concentration of Business

The Company's long-lived net property, equipment and technology assets are classified by major geographic areas as follows:

	September 30, 2019	September 30, 2018
	(in millions)	
U.S.	\$ 2,319	\$ 2,152
International	376	320
Total	\$ 2,695	\$ 2,472

Revenues by geographic market is primarily based on the location of the issuing financial institution. Revenues earned in the U.S. were approximately 45% of net revenues in fiscal 2019, 45% in fiscal 2018 and 47% in fiscal 2017. No individual country, other than the U.S., generated more than 10% of net revenues in these years.

A significant portion of Visa's net revenues is concentrated among its largest clients. Loss of business from any of these clients could have an adverse effect on the Company. The Company did not have any customer that generated greater than 10% of its net revenues in fiscal 2019, 2018 and 2017.

Note 14—Stockholders' Equity

Visa Europe acquisition. In connection with the Visa Europe acquisition, three new series of preferred stock of the Company were created. Upon issuance, all of the preferred stock participate on an as-converted basis in regular quarterly cash dividends declared on the Company's class A common stock.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

As-converted class A common stock. The UK&I and Europe preferred stock, issued in the Visa Europe acquisition, is convertible upon certain conditions into shares of class A common stock or class A equivalent preferred stock, at an initial conversion rate of 13.952 shares of class A common stock for each share of UK&I and Europe preferred stock. The conversion rates may be reduced from time to time to offset certain liabilities. See *Note 5—U.S. and Europe Retrospective Responsibility Plans*.

The number of shares of each series and class, and the number of shares of class A common stock on an as-converted basis at September 30, 2019 and 2018, are as follows:

	September 30, 2019			September 30, 2018		
	Shares Outstanding	Conversion Rate Into Class A Common Stock	As-converted Class A Common Stock ⁽¹⁾	Shares Outstanding	Conversion Rate Into Class A Common Stock	As-converted Class A Common Stock ⁽¹⁾
	(in millions, except conversion rate)					
UK&I preferred stock	2	12.9360	32	2	12.9550	32
Europe preferred stock	3	13.8840	44	3	13.8880	44
Class A common stock ⁽²⁾	1,718	—	1,718	1,768	—	1,768
Class B common stock	245	1.6228 ⁽³⁾	398	245	1.6298 ⁽³⁾	400
Class C common stock	11	4.0000	45	12	4.0000	47
Total			2,237			2,291

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. As-converted class A common stock is calculated based on unrounded numbers.

⁽²⁾ Class A common stock shares outstanding reflect repurchases settled on or before September 30, 2019 and 2018.

⁽³⁾ The class B to class A common stock conversion rate is presented on a rounded basis. Conversion calculations for dividend payments are based on a conversion rate rounded to the tenth decimal.

Reduction in as-converted shares. During fiscal 2019, total as-converted class A common stock was reduced by 58 million shares at an average price of \$154.62 per share. Of the 58 million shares, 56 million were repurchased in the open market using \$8.6 billion of operating cash on hand. Additionally, in fiscal 2019, the Company deposited \$300 million of operating cash into the litigation escrow account previously established under the U.S. retrospective responsibility plan. Also, the Company recovered \$8 million of VE territory covered losses in accordance with the Europe retrospective responsibility plan during fiscal 2019. The deposit and recovery have the same economic effect on earnings per share as repurchasing the Company's class A common stock because they reduce the class B common stock conversion rate and the UK&I and Europe preferred stock conversion rates and consequently, reduce the as-converted class A common stock share count. See *Note 5—U.S. and Europe Retrospective Responsibility Plans*.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table presents as-converted UK&I and Europe preferred stock, after the Company recovered VE territory covered losses through conversion rate adjustments:

	For the Years Ended September 30,					
	2019		2018		2017	
	UK&I	Europe	UK&I	Europe	UK&I	Europe
	(in millions, except per share and conversion rate data)					
Reduction in equivalent number of as-converted shares of class A common stock	— ⁽¹⁾	— ⁽¹⁾	— ⁽¹⁾	— ⁽¹⁾	2	— ⁽¹⁾
Effective price per share ⁽²⁾	\$ 141.32	\$ 150.26	\$ 113.05	\$ 112.92	\$ 88.70	\$ 85.01
Recovery through conversion rate adjustment	\$ 6	\$ 2	\$ 35	\$ 21	\$ 190	\$ 1

⁽¹⁾ The reduction in equivalent number of shares of class A common stock was less than one million shares.

⁽²⁾ Effective price per share for each adjustment made during the year is calculated using the volume-weighted average price of the Company's class A common stock over a pricing period in accordance with the Company's current certificates of designations for its series B and C convertible participating preferred stock. Effective price per share for each fiscal year is calculated using the weighted-average effective prices of the respective adjustments made during the year.

Common stock repurchases. The following table⁽¹⁾ presents share repurchases in the open market for the following fiscal years:

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions, except per share data)		
Shares repurchased in the open market ⁽²⁾	56	58	77
Average repurchase price per share ⁽³⁾	\$ 154.01	\$ 123.76	\$ 89.98
Total cost	\$ 8,607	\$ 7,192	\$ 6,891

⁽¹⁾ Shares repurchased in the open market reflect repurchases settled during fiscal 2019, 2018 and 2017. These amounts include repurchases traded but not yet settled on or before September 30, 2019, September 30, 2018 and September 30, 2017 for fiscal 2019, 2018 and 2017, respectively. Also, these exclude repurchases traded but not yet settled on or before September 30, 2019, September 30, 2018 and September 30, 2017 for fiscal 2019, 2018 and 2017, respectively.

⁽²⁾ All shares repurchased in the open market have been retired and constitute authorized but unissued shares.

⁽³⁾ Average repurchase price per share is calculated based on unrounded numbers.

In January 2019, the Company's board of directors authorized an additional \$8.5 billion share repurchase program. This authorization has no expiration date. As of September 30, 2019, the Company's January 2019 share repurchase program had remaining authorized funds of \$4.1 billion. All share repurchase programs authorized prior to January 2019 have been completed.

Under the terms of the U.S. retrospective responsibility plan, when the Company makes a deposit into the litigation escrow account, the shares of class B common stock are subject to dilution through a reduction to the conversion rate of the shares of class B common stock to shares of class A common stock.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table presents as-converted class B common stock after deposits into the litigation escrow account for fiscal 2019 and 2018. There were no comparable adjustments recorded for as-converted class B common stock for fiscal 2017.

	For the Years Ended September 30,	
	2019	2018
	(in millions, except per share data)	
Reduction in equivalent number of as-converted shares of class A common stock	2	5
Effective price per share ⁽¹⁾	\$ 174.73	\$ 132.32
Deposits under the U.S. retrospective responsibility plan	\$ 300	\$ 600

⁽¹⁾ Effective price per share is calculated using the volume-weighted average price of the Company's class A common stock over a pricing period in accordance with the Company's current certificate of incorporation.

Class B common stock. The class B common stock is not convertible or transferable until the date on which all of the U.S. covered litigation has been finally resolved. This transfer restriction is subject to limited exceptions, including transfers to other holders of class B common stock. After termination of the restrictions, the class B common stock will be convertible into class A common stock if transferred to a person that was not a Visa Member (as defined in the current certificate of incorporation) or similar person or an affiliate of a Visa Member or similar person. Upon such transfer, each share of class B common stock will automatically convert into a number of shares of class A common stock based upon the applicable conversion rate in effect at the time of such transfer.

Adjustment of the conversion rate occurs upon: (i) the completion of any follow-on offering of class A common stock completed to increase the size of the U.S. litigation escrow account (or any cash deposit by the Company in lieu thereof) resulting in a further corresponding decrease in the conversion rate; or (ii) the final resolution of the U.S. covered litigation and the release of funds remaining on deposit in the U.S. litigation escrow account to the Company resulting in a corresponding increase in the conversion rate. See *Note 5—U.S. and Europe Retrospective Responsibility Plans*.

Class C common stock. As of September 30, 2019, all of the shares of class C common stock have been released from transfer restrictions. A total of 140 million shares have been converted from class C to class A common stock upon their sale into the public market.

Preferred stock. Preferred stock may be issued as redeemable or non-redeemable, and has preference over any class of common stock with respect to the payment of dividends and distribution of the Company's assets in the event of a liquidation or dissolution. The Company had 5 million shares of UK&I and Europe preferred stock outstanding at the end of fiscal 2019 and 2018. The shares of UK&I and Europe preferred stock are subject to restrictions on transfer and may become convertible in stages based on developments in the VE territory covered litigation. The shares of UK&I and Europe preferred stock will become fully convertible on the 12th anniversary of the Closing, subject only to a holdback to cover any then-pending claims. Upon any such conversion of the UK&I or Europe preferred stock (whether by such 12th anniversary, or thereafter with respect to claims pending on such anniversary), the holder would receive either class A common stock or class A equivalent preferred stock (for those who are not eligible to hold class A common stock pursuant to the Company's charter). The class A equivalent preferred stock will be freely transferable and each share of class A equivalent preferred stock will automatically convert into 100 shares of class A common stock upon a transfer to any holder that is eligible to hold class A common stock under the charter. See *Note 5—U.S. and Europe Retrospective Responsibility Plans*.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Voting rights. The holders of the UK&I and Europe preferred stock have no right to vote on any matters, except for certain defined matters, including, in specified circumstances, any consolidation, merger, combination or similar transaction of the Company in which the preferred stockholders would either (i) receive shares of common stock or other equity securities of the Company with preferences, rights and privileges that are not substantially identical to the preferences, rights and privileges of the applicable series of preferred stock or (ii) receive securities, cash or other property that is different from what the Company's class A common stockholders would receive. With respect to these limited matters on which the holders of preferred stock may vote, approval by the preferred stockholders requires the affirmative vote of the outstanding voting power of each such series of preferred stock, each such series voting as a single class. In either case, the UK&I and Europe preferred stockholders are entitled to cast a number of votes equal to the number of shares held by each such holder. Holders of the class A equivalent preferred stock, upon issuance at conversion, will have similar voting rights to the rights of the holders of the UK&I and Europe preferred stock.

Class A common stockholders have the right to vote on all matters on which stockholders generally are entitled to vote. Class B and C common stockholders have no right to vote on any matters, except for certain defined matters, including (i) any decision to exit the core payments business, in which case the class B and C common stockholders will vote together with the class A common stockholders in a single class, and (ii) in specified circumstances, any consolidation, merger, combination or similar transaction of the Company, in which case the class B and C common stockholders will vote together as a single class. In either case, the class B and C common stockholders are entitled to cast a number of votes equal to the number of shares of class B or C common stock held multiplied by the applicable conversion rate in effect on the record date. Holders of the Company's common stock have no right to vote on any amendment to the current certificate of incorporation that relates solely to any series of preferred stock.

Dividends declared. The Company declared and paid \$2.3 billion in dividends in fiscal 2019 at a quarterly rate of \$0.25 per share in the fiscal year. On October 22, 2019, the Company's board of directors declared a quarterly cash dividend of \$0.30 per share of class A common stock (determined in the case of class B and C common stock and UK&I and Europe preferred stock on an as-converted basis), which will be paid on December 3, 2019, to all holders of record of the Company's common and preferred stock as of November 15, 2019.

Note 15—Earnings Per Share

Basic earnings per share is computed by dividing net income available to each class by the weighted-average number of shares of common stock outstanding and participating securities during the period. Net income is allocated to each class of common stock and participating securities based on its proportional ownership on an as-converted basis. The weighted-average number of shares of each class of common stock outstanding reflects changes in ownership over the periods presented. See *Note 14—Stockholders' Equity*.

Diluted earnings per share is computed by dividing net income available by the weighted-average number of shares of common stock outstanding, participating securities and, if dilutive, potential class A common stock equivalent shares outstanding during the period. Dilutive class A common stock equivalents may consist of: (1) shares of class A common stock issuable upon the conversion of UK&I and Europe preferred stock and class B and C common stock based on the conversion rates in effect through the period, and (2) incremental shares of class A common stock calculated by applying the treasury stock method to the assumed exercise of employee stock options, the assumed purchase of stock under the Employee Stock Purchase Plan and the assumed vesting of unearned performance shares.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table presents earnings per share for fiscal 2019⁽¹⁾.

	Basic Earnings Per Share			Diluted Earnings Per Share		
	Income Allocation (A) ⁽²⁾	Weighted-Average Shares Outstanding (B)	Earnings per Share = (A)/(B)	Income Allocation (A) ⁽²⁾	Weighted-Average Shares Outstanding (B)	Earnings per Share = (A)/(B)
(in millions, except per share data)						
Class A common stock	\$ 9,273	1,742	\$ 5.32	\$ 12,080	2,272 ⁽³⁾	\$ 5.32
Class B common stock	2,130	245	\$ 8.68	2,127	245	\$ 8.66
Class C common stock	247	12	\$ 21.30	246	12	\$ 21.26
Participating securities ⁽⁴⁾	430	Not presented	Not presented	429	Not presented	Not presented
Net income	<u>\$ 12,080</u>					

The following table presents earnings per share for fiscal 2018⁽¹⁾.

	Basic Earnings Per Share			Diluted Earnings Per Share		
	Income Allocation (A) ⁽²⁾	Weighted-Average Shares Outstanding (B)	Earnings per Share = (A)/(B)	Income Allocation (A) ⁽²⁾	Weighted-Average Shares Outstanding (B)	Earnings per Share = (A)/(B)
(in millions, except per share data)						
Class A common stock	\$ 7,937	1,792	\$ 4.43	\$ 10,301	2,329 ⁽³⁾	\$ 4.42
Class B common stock	1,787	245	\$ 7.28	1,785	245	\$ 7.27
Class C common stock	218	12	\$ 17.72	217	12	\$ 17.69
Participating securities ⁽⁴⁾	359	Not presented	Not presented	358	Not presented	Not presented
Net income	<u>\$ 10,301</u>					

The following table presents earnings per share for fiscal 2017⁽¹⁾.

	Basic Earnings Per Share			Diluted Earnings Per Share		
	Income Allocation (A) ⁽²⁾	Weighted-Average Shares Outstanding (B)	Earnings per Share = (A)/(B)	Income Allocation (A) ⁽²⁾	Weighted-Average Shares Outstanding (B)	Earnings per Share = (A)/(B)
(in millions, except per share data)						
Class A common stock	\$ 5,170	1,845	\$ 2.80	\$ 6,699	2,395 ⁽³⁾	\$ 2.80
Class B common stock	1,134	245	\$ 4.62	1,132	245	\$ 4.61
Class C common stock	163	14	\$ 11.21	162	14	\$ 11.19
Participating securities ⁽⁴⁾	232	Not presented	Not presented	232	Not presented	Not presented
Net income	<u>\$ 6,699</u>					

⁽¹⁾ Figures in the table may not recalculate exactly due to rounding. Earnings per share is calculated based on unrounded numbers.

⁽²⁾ Net income is allocated based on proportional ownership on an as-converted basis. The weighted-average number of shares of as-converted class B common stock used in the income allocation was 400 million, 403 million and 405 million for fiscal 2019, 2018 and 2017, respectively. The weighted-average number of shares of as-converted class C common stock used in the income allocation was 46 million, 49 million and 58 million for fiscal 2019, 2018 and 2017, respectively. The weighted-average number of shares of preferred stock included within participating securities was 32 million, 32 million and 33 million of as-converted UK&I preferred stock for fiscal 2019, 2018 and 2017, respectively, and 44 million of as-converted Europe preferred stock for fiscal 2019, 2018 and 2017.

⁽³⁾ Weighted-average diluted shares outstanding are calculated on an as-converted basis, and include incremental common stock equivalents, as calculated under the treasury stock method. The computation includes 3 million, 3 million and 5 million common stock equivalents for fiscal 2019, 2018 and 2017, respectively, because their effect would have been dilutive. The computation excludes 1 million, 1 million and 2 million of common stock equivalents for fiscal 2019, 2018 and 2017, respectively, because their effect would have been anti-dilutive.

⁽⁴⁾ Participating securities include preferred stock outstanding and unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents, such as the Company's UK&I and Europe preferred stock, restricted stock awards, restricted stock units and earned performance-based shares. Participating securities' income is allocated based on the weighted-average number of shares of as-converted stock. See *Note 14—Stockholders' Equity*.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019**Note 16—Share-based Compensation****2007 Equity Incentive Compensation Plan**

The Company's 2007 Equity Incentive Compensation Plan, or the EIP, authorizes the compensation committee of the board of directors to grant non-qualified stock options ("options"), restricted stock awards ("RSAs"), restricted stock units ("RSUs") and performance-based shares to its employees and non-employee directors, for up to 236 million shares of class A common stock. Shares available for award may be either authorized and unissued or previously issued shares subsequently acquired by the Company. The EIP will continue to be in effect until all of the common stock available under the EIP is delivered and all restrictions on those shares have lapsed, unless the EIP is terminated earlier by the Company's board of directors. Awards may be granted under the plan until January 31, 2022.

Share-based compensation cost is recorded net of estimated forfeitures on a straight-line basis for awards with service conditions only, and on a graded-vesting basis for awards with service, performance and market conditions. For fiscal 2019, 2018 and 2017, the Company recorded share-based compensation cost related to the EIP of \$388 million, \$312 million and \$224 million, respectively, in personnel expense on its consolidated statements of operations. The related tax benefits were \$59 million, \$53 million and \$67 million for fiscal 2019, 2018 and 2017, respectively. The amount of capitalized share-based compensation cost was immaterial during fiscal 2019, 2018 and 2017.

Options

Options issued under the EIP expire 10 years from the date of grant and primarily vest ratably over 3 years from the date of grant, subject to earlier vesting in full under certain conditions.

During fiscal 2019, 2018 and 2017, the fair value of each stock option was estimated on the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions:

	For the Years Ended September 30,		
	2019	2018	2017
Expected term (in years) ⁽¹⁾	3.98	4.00	4.23
Risk-free rate of return ⁽²⁾	2.9%	2.0%	1.6%
Expected volatility ⁽³⁾	20.2%	18.3%	20.2%
Expected dividend yield ⁽⁴⁾	0.7%	0.7%	0.8%
Fair value per option granted	\$ 25.89	\$ 18.24	\$ 13.90

⁽¹⁾ Until March 2018, this assumption was based on the Company's historical option exercises and those of a set of peer companies that management believed to be generally comparable to Visa. The Company's data was weighted based on the number of years between the measurement date and Visa's IPO date as a percentage of the options' contractual term. The relative weighting placed on Visa's data and peer data for stock options granted until March 2018 was approximately 97% and 3% in fiscal 2018, respectively, and 87% and 13% in fiscal 2017, respectively. The assumptions for stock options granted after March 2018 was based on Visa's historical exercise experience as the passage of time since the Company's IPO has exceeded 10 years.

⁽²⁾ Based upon the zero coupon U.S. treasury bond rate over the expected term of the awards.

⁽³⁾ Based on the Company's implied and historical volatility.

⁽⁴⁾ Based on the Company's annual dividend rate on the date of grant.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table summarizes the Company's option activity for fiscal 2019:

	Options	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value ⁽¹⁾ (in millions)
Outstanding at September 30, 2018	5,788,840	\$ 75.30		
Granted	1,109,645	\$ 134.76		
Forfeited	(108,973)	\$ 114.04		
Expired	(33,574)	\$ 28.85		
Exercised	(1,041,280)	\$ 54.44		
Outstanding at September 30, 2019	5,714,658	\$ 90.18	6.83	\$ 468
Options exercisable at September 30, 2019	3,230,165	\$ 70.66	5.63	\$ 327
Options exercisable and expected to vest at September 30, 2019 ⁽²⁾	5,635,182	\$ 89.69	6.80	\$ 464

⁽¹⁾ Calculated using the closing stock price on the last trading day of fiscal 2019 of \$172.01, less the option exercise price, multiplied by the number of instruments.

⁽²⁾ Applied a forfeiture rate to unvested options outstanding at September 30, 2019 to estimate the options expected to vest in the future.

For the options exercised during fiscal 2019, 2018 and 2017, the total intrinsic value was \$107 million, \$249 million and \$178 million, respectively, and the tax benefit realized was \$23 million, \$55 million and \$62 million, respectively. As of September 30, 2019, there was \$19 million of total unrecognized compensation cost related to unvested options, which is expected to be recognized over a weighted-average period of approximately 0.50 years.

Restricted Stock Awards and Restricted Stock Units

RSAs and RSUs issued under the EIP primarily vest ratably over 3 years from the date of grant, subject to earlier vesting in full under certain conditions.

Upon vesting, the RSAs are settled in class A common stock on a one-for-one basis. During the vesting period, RSA award recipients are eligible to receive dividends and participate in the same voting rights as those granted to the holders of the underlying class A common stock. Upon vesting, RSUs can be settled in class A common stock on a one-for-one basis or in cash, or a combination thereof, at the Company's option. The Company does not currently intend to settle any RSUs in cash. During the vesting period, RSU award recipients are eligible to receive dividend equivalents, but do not participate in the voting rights granted to the holders of the underlying class A common stock. The Company discontinued granting RSAs in fiscal 2016 but will continue to grant RSUs under the EIP. As of September 30, 2018, there were no RSAs outstanding.

The fair value and compensation cost before estimated forfeitures for RSAs and RSUs is calculated using the closing price of class A common stock on the date of grant. The weighted-average grant-date fair value of RSUs granted during fiscal 2019, 2018 and 2017 was \$137.38, \$111.11 and \$81.67, respectively. The total grant-date fair value of RSAs and RSUs vested during fiscal 2019, 2018 and 2017 was \$228 million, \$183 million and \$163 million, respectively.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table summarizes the Company's RSU activity for fiscal 2019:

	Restricted Stock Units	Weighted- Average Grant Date Fair Value	Weighted- Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value ⁽¹⁾ (in millions)
Outstanding at September 30, 2018	5,204,454	\$ 96.50		
Granted	2,785,534	\$ 137.38		
Vested	(2,450,257)	\$ 93.12		
Forfeited	(372,972)	\$ 115.15		
Outstanding at September 30, 2019	5,166,759	\$ 118.79	0.85	\$ 889

⁽¹⁾ Calculated by multiplying the closing stock price on the last trading day of fiscal 2019 of \$172.01 by the number of instruments.

At September 30, 2019, there was \$332 million of total unrecognized compensation cost related to unvested RSUs, which is expected to be recognized over a weighted-average period of approximately 0.85 years.

Performance-based Shares

For the Company's performance-based shares, in addition to service conditions, the ultimate number of shares to be earned depends on the achievement of both performance and market conditions. The performance condition is based on the Company's earnings per share target. The market condition is based on the Company's total shareholder return ranked against that of other companies that are included in the Standard & Poor's 500 Index. The fair value of the performance-based shares, incorporating the market condition, is estimated on the grant date using a Monte Carlo simulation model. The grant-date fair value of performance-based shares granted in fiscal 2019, 2018 and 2017 was \$153.42, \$120.11 and \$86.37 per share, respectively. Earned performance shares granted in fiscal 2019, 2018 and 2017 vest approximately three years from the initial grant date. All performance awards are subject to earlier vesting in full under certain conditions.

Compensation cost for performance-based shares is initially estimated based on target performance. It is recorded net of estimated forfeitures and adjusted as appropriate throughout the performance period.

The following table summarizes the maximum number of performance-based shares which could be earned and related activity for fiscal 2019:

	Shares	Weighted- Average Grant Date Fair Value	Weighted- Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value ⁽¹⁾ (in millions)
Outstanding at September 30, 2018	999,416	\$ 102.07		
Granted ⁽²⁾	540,538	\$ 153.42		
Vested and earned	(419,908)	\$ 97.71		
Unearned	—	\$ —		
Forfeited	(49,356)	\$ 127.66		
Outstanding at September 30, 2019	1,070,690	\$ 129.08	0.80	\$ 184

⁽¹⁾ Calculated by multiplying the closing stock price on the last trading day of fiscal 2019 of \$172.01 by the number of instruments.

⁽²⁾ Represents the maximum number of performance-based shares which could be earned.

At September 30, 2019, there was \$37 million of total unrecognized compensation cost related to unvested performance-based shares, which is expected to be recognized over a weighted-average period of approximately 0.80 years.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Employee Stock Purchase Plan

The Visa Inc. Employee Stock Purchase Plan (the “ESPP”) permits eligible employees to purchase the Company’s class A common stock at a 15% discount of the stock price on the purchase date, subject to certain restrictions. A total of 20 million shares of class A common stock have been reserved for issuance under the ESPP. ESPP did not have a material impact on the consolidated financial statements in fiscal 2019, 2018 or 2017.

Note 17—Commitments and Contingencies

Commitments. The Company leases certain premises, equipment and software licenses throughout the world with varying expiration dates. The Company incurred total rent expense of \$286 million, \$224 million and \$159 million in fiscal 2019, 2018 and 2017, respectively. At September 30, 2019, future minimum payments on leases are as follows:

	For the Years Ending September 30,						Total
	2020	2021	2022	2023	2024	Thereafter	
	(in millions)						
Operating leases	\$ 143	\$ 121	\$ 106	\$ 96	\$ 82	\$ 250	\$ 798

Note 18—Related Parties

Visa considers an entity to be a related party for purposes of this disclosure if that entity owns more than 10% of Visa’s total voting common stock at the end of the fiscal year, or if an officer or employee of that entity also serves on the Company’s board of directors. The Company considers an investee to be a related party if the Company’s: (i) ownership interest in the investee is greater than or equal to 10% or (ii) if the investment is accounted for under the equity method of accounting. At September 30, 2019 and 2018, no entity owned more than 10% of the Company’s total voting common stock. There were no significant transactions with related parties during fiscal 2019, 2018 and 2017.

Note 19—Income Taxes

The Company’s income before taxes by fiscal year consisted of the following:

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
U.S.	\$ 9,536	\$ 8,088	\$ 8,440
Non-U.S.	5,348	4,718	3,254
Total income before taxes	\$ 14,884	\$ 12,806	\$ 11,694

U.S. income before taxes included \$3.0 billion, \$2.7 billion and \$2.9 billion of the Company’s U.S. entities’ income from operations outside of the U.S. for fiscal 2019, 2018 and 2017, respectively.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Income tax provision by fiscal year consisted of the following:

	For the Years Ended September 30,		
	2019	2018	2017
	(in millions)		
Current:			
U.S. federal	\$ 1,504	\$ 2,819	\$ 2,377
State and local	243	219	291
Non-U.S.	843	754	629
Total current taxes	2,590	3,792	3,297
Deferred:			
U.S. federal	184	(1,214)	1,607
State and local	28	(96)	66
Non-U.S.	2	23	25
Total deferred taxes	214	(1,287)	1,698
Total income tax provision	\$ 2,804	\$ 2,505	\$ 4,995

The tax effect of temporary differences that give rise to significant portions of deferred tax assets and liabilities at September 30, 2019 and 2018, are presented below:

	September 30,	
	2019	2018
	(in millions)	
Deferred Tax Assets:		
Accrued compensation and benefits	\$ 117	\$ 135
Accrued litigation obligation	273	329
Client incentives	125	213
Net operating loss carryforwards	65	34
Comprehensive loss	33	17
Federal benefit of state taxes	148	120
Other	6	127
Valuation allowance	(69)	(34)
Deferred tax assets	698	941
Deferred Tax Liabilities:		
Property, equipment and technology, net	(314)	(286)
Intangible assets	(4,983)	(5,153)
Foreign taxes	(184)	(106)
Deferred tax liabilities	(5,481)	(5,545)
Net deferred tax liabilities	\$ (4,783)	\$ (4,604)

The Tax Act, enacted on December 22, 2017, transitioned the U.S. tax system to a territorial system and lowered the statutory federal corporate income tax rate from 35% to 21%. The reduction of the statutory federal corporate tax rate to 21% became effective on January 1, 2018. In fiscal 2018, the Company's statutory federal corporate rate was a blended rate of 24.5%, which was reduced to 21% in fiscal 2019.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

In transitioning to the territorial tax system, the Tax Act required the Company to include certain untaxed foreign earnings of non-U.S. subsidiaries in its fiscal 2018 taxable income. Such foreign earnings were subject to a one-time tax at 15.5% on the amount held in cash or cash equivalents, and at 8% on the remaining non-cash amount. The 15.5% and 8% tax, collectively referred to as the “transition tax”, was estimated to be \$1.1 billion, and was recorded as a provisional amount in fiscal 2018. The Company also recorded provisional amounts for the tax effects of various other new provisions in fiscal 2018. As permitted by ASU 2018-05, the Company completed the determination of the accounting impacts of the transition tax and various provisions in the first quarter of fiscal 2019. The adjustments to the provisional amounts were not material. The transition tax will be paid over a period of eight years as permitted by the Tax Act.

In addition, the Tax Act enacted a new deduction for foreign-derived intangible income (“FDII”) and a tax on global intangible low-tax income (“GILTI”), effective for the Company on October 1, 2018. In fiscal 2019, the Company adopted the accounting policy of accounting for taxes on GILTI in the period that it is subject to such tax.

At September 30, 2019 and 2018, net deferred tax assets of \$24 million and \$14 million, respectively, are reflected in other assets on the consolidated balance sheets.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that all or some portion of the deferred tax assets will not be realized. The ultimate realization of the deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences are deductible. The fiscal 2019 and 2018 valuation allowances relate primarily to foreign net operating losses from subsidiaries acquired in recent years.

As of September 30, 2019, the Company had \$17 million federal, \$19 million state and \$311 million foreign net operating loss carryforwards from acquired subsidiaries. Federal and state net operating loss carryforwards generated in years prior to fiscal 2018 will expire in fiscal 2028 through 2037. Federal net operating losses generated after fiscal 2017 and the foreign net operating losses may be carried forward indefinitely. The Company expects to fully utilize the state net operating loss carryforwards in future years.

The income tax provision differs from the amount of income tax determined by applying the applicable U.S. federal statutory rate to pretax income, as a result of the following:

	For the Years Ended September 30,					
	2019		2018		2017	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
	(in millions, except percentages)					
U.S. federal income tax at statutory rate	\$ 3,126	21 %	\$ 3,141	25 %	\$ 4,093	35 %
State income taxes, net of federal benefit	223	2 %	201	2 %	200	2 %
Non-U.S. tax effect, net of federal benefit	(527)	(4)%	(465)	(4)%	(641)	(5)%
Transition tax on foreign earnings	—	— %	1,147	9 %	—	— %
Remeasurement of deferred tax balances	—	— %	(1,133)	(9)%	—	— %
Reorganization of Visa Europe and other legal entities	—	— %	—	— %	1,515	13 %
Other, net	(18)	— %	(386)	(3)%	(172)	(2)%
Income tax provision	\$ 2,804	19 %	\$ 2,505	20 %	\$ 4,995	43 %

The effective income tax rate was 19% in fiscal 2019 and 20% in fiscal 2018. The effective tax rate in fiscal 2019 differs from the effective tax rate in fiscal 2018 primarily due to:

- a decrease in federal statutory rate as a result of the Tax Act, from a blended rate of 24.5% in fiscal 2018 to a rate of 21% in fiscal 2019, as discussed above;
- new FDII and GILTI provisions enacted as part of the Tax Act, as discussed above; and

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

- the absence of the following items recorded in fiscal 2018:
 - a \$1.1 billion one-time transition tax expense on certain untaxed foreign earnings in accordance with the Tax Act;
 - a \$1.1 billion non-recurring, non-cash benefit from the remeasurement of deferred tax balances due to the reduction in U.S. federal tax rate enacted by the Tax Act; and
 - \$161 million of tax benefits due to various non-recurring audit settlements.

The effective income tax rate was 20% in fiscal 2018 and 43% in fiscal 2017. The effective tax rate in fiscal 2018 differs from the effective tax rate in fiscal 2017 primarily due to:

- the effects of the Tax Act, which include the decrease in the fiscal 2018 federal statutory rate, the transition tax, and the remeasurement of deferred taxes, as discussed above;
- \$161 million of tax benefits due to various non-recurring audit settlements in fiscal 2018; and
- the absence of the following items related to the Visa Europe reorganization recorded in fiscal 2017:
 - a \$1.5 billion non-recurring, non-cash income tax provision primarily related to the elimination of deferred tax balances originally recognized upon the acquisition of Visa Europe; and
 - a \$71 million one-time tax benefit related to the Visa Foundation's receipt of Visa Inc. shares, previously recorded by Visa Europe as treasury stock.

Current income taxes receivable were \$130 million and \$82 million at September 30, 2019 and 2018, respectively. Non-current income taxes receivable of \$771 million and \$689 million at September 30, 2019 and 2018, respectively, were included in other assets. Income taxes payable of \$327 million and \$257 million at September 30, 2019 and 2018, respectively, were included in accrued liabilities. Accrued income taxes of \$2.5 billion and \$2.4 billion at September 30, 2019 and 2018, respectively, were included in other liabilities.

The Company's operating hub in the Asia Pacific region is located in Singapore. It is subject to a tax incentive which is effective through September 30, 2023, and is conditional upon meeting certain business operations and employment thresholds in Singapore. The tax incentive decreased Singapore tax by \$324 million, \$295 million and \$252 million, and the benefit of the tax incentive on diluted earnings per share was \$0.14, \$0.13 and \$0.11 in fiscal 2019, 2018 and 2017, respectively.

In accordance with *Accounting Standards Codification 740—Income Taxes*, the Company is required to inventory, evaluate and measure all uncertain tax positions taken or to be taken on tax returns, and to record liabilities for the amount of such positions that may not be sustained, or may only partially be sustained, upon examination by the relevant taxing authorities.

At September 30, 2019, 2018, and 2017, the Company's total gross unrecognized tax benefits were \$2.2 billion, \$1.7 billion and \$1.4 billion, respectively, exclusive of interest and penalties described below. Included in the \$2.2 billion, \$1.7 billion and \$1.4 billion are \$1.4 billion, \$1.2 billion and \$1.1 billion of unrecognized tax benefits, respectively, that if recognized, would reduce the effective tax rate in a future period.

A reconciliation of beginning and ending unrecognized tax benefits by fiscal year is as follows:

	2019	2018	2017
	(in millions)		
Balance at beginning of period	\$ 1,658	\$ 1,353	\$ 1,160
Increases of unrecognized tax benefits related to prior years	216	367	56
Decreases of unrecognized tax benefits related to prior years	(13)	(233)	(59)
Increases of unrecognized tax benefits related to current year	384	172	197
Decreases related to settlements with taxing authorities	(9)	—	—
Reductions related to lapsing statute of limitations	(2)	(1)	(1)
Balance at end of period	\$ 2,234	\$ 1,658	\$ 1,353

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

It is the Company's policy to account for interest expense and penalties related to uncertain tax positions in non-operating expense in its consolidated statements of operations. The Company recognized \$66 million, \$15 million and \$23 million of interest expense in fiscal 2019, 2018 and 2017, respectively, related to uncertain tax positions. The Company accrued \$5 million and \$1 million of penalties in fiscal 2019 and fiscal 2017, respectively, and accrued no penalties in fiscal 2018, related to uncertain tax positions. At September 30, 2019 and 2018, the Company had accrued interest of \$165 million and \$99 million, respectively, and accrued penalties of \$26 million and \$34 million, respectively, related to uncertain tax positions included in other long-term liabilities in its consolidated balance sheets.

The Company's fiscal 2012 through 2015 U.S. federal income tax return is currently under Internal Revenue Service (IRS) examination. The Company has filed federal refund claims for fiscal years 2008 through 2011, which are also currently under IRS examination. Except for the refund claims, the federal statutes of limitations have expired for fiscal years prior to 2012. The Company's fiscal years 2006 through 2015 California tax returns are currently under examination. The California statutes of limitations have expired for fiscal years prior to 2006.

During fiscal 2013, the Canada Revenue Agency (CRA) completed its examination of the Company's fiscal 2003 through 2009 Canadian tax returns and proposed certain assessments. Based on the findings of its examination, the CRA also proposed certain assessments to the Company's fiscal 2010 through 2017 Canadian tax returns. The Company filed notices of objection against these assessments and, in fiscal 2015, completed the appeals process without reaching a settlement with the CRA. In April 2016, the Company petitioned the Tax Court of Canada to overturn the CRA's assessments. Legal proceedings continue to be in progress. The Company continues to believe that its income tax provision adequately reflects its obligations to the CRA.

The India tax authorities completed the first level examination of the Company's income tax returns for the taxable years falling within the period from fiscal 2010 to 2015, and proposed certain assessments. The Company objected to these proposed assessments and filed appeals to the appellate authorities. While the timing and outcome of the final resolution of these appeals are uncertain, the Company believes that its income tax provision adequately reflects its income tax obligations in India.

The Company is also subject to examinations by various state and foreign tax authorities. All material state and foreign tax matters have been concluded for years through fiscal 2002. The timing and outcome of the final resolutions of the federal, state and foreign tax examinations and refund claims are uncertain. As such, it is not reasonably possible to estimate the impact that the final outcomes could have on the Company's unrecognized tax benefits in the next 12 months.

Note 20—Legal Matters

The Company is party to various legal and regulatory proceedings. Some of these proceedings involve complex claims that are subject to substantial uncertainties and unascertainable damages. Accordingly, except as disclosed, the Company has not established reserves or ranges of possible loss related to these proceedings, as at this time in the proceedings, the matters do not relate to a probable loss and/or the amount or range of losses are not reasonably estimable. Although the Company believes that it has strong defenses for the litigation and regulatory proceedings described below, it could, in the future, incur judgments or fines or enter into settlements of claims that could have a material adverse effect on the Company's financial position, results of operations or cash flows. From time to time, the Company may engage in settlement discussions or mediations with respect to one or more of its outstanding litigation matters, either on its own behalf or collectively with other parties.

The litigation accrual is an estimate and is based on management's understanding of its litigation profile, the specifics of each case, advice of counsel to the extent appropriate and management's best estimate of incurred loss as of the balance sheet date.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table summarizes the activity related to accrued litigation by fiscal year:

	2019	2018
	(in millions)	
Balance at beginning of period	\$ 1,434	\$ 982
Provision for uncovered legal matters	37	7
Provision for covered legal matters	535	601
Payments for legal matters	(803)	(156)
Balance at end of period	\$ 1,203	\$ 1,434

Accrual Summary—U.S. Covered Litigation

Visa Inc., Visa U.S.A. and Visa International are parties to certain legal proceedings that are covered by the U.S. retrospective responsibility plan, which the Company refers to as the U.S. covered litigation. See *Note 5—U.S. and Europe Retrospective Responsibility Plans*. An accrual for the U.S. covered litigation and a charge to the litigation provision are recorded when a loss is deemed to be probable and reasonably estimable. In making this determination, the Company evaluates available information, including but not limited to actions taken by the litigation committee. The total accrual related to the U.S. covered litigation could be either higher or lower than the escrow account balance.

The following table summarizes the accrual activity related to U.S. covered litigation by fiscal year:

	2019	2018
	(in millions)	
Balance at beginning of period	\$ 1,428	\$ 978
Provision for interchange multidistrict litigation	370	600
Payments for U.S. covered litigation	(600)	(150)
Balance at end of period	\$ 1,198	\$ 1,428

During the third quarter of fiscal 2018, pursuant to an amended settlement agreement that superseded the 2012 Settlement Agreement, the Company recorded an additional accrual and deposited \$600 million into the U.S. litigation escrow account and in fiscal 2019 paid the amount into court-authorized settlement accounts established under the amended settlement agreement. During the fourth quarter of fiscal 2019, the Company recorded an additional accrual of \$370 million and deposited \$300 million into the U.S. litigation escrow account to address “opt-out” claims for merchants who opted out of the amended settlement agreement. See further discussion below under *Interchange Multidistrict Litigation (MDL) – Individual Merchant Actions* and *Note 5—U.S. and Europe Retrospective Responsibility Plans*.

Accrual Summary—VE Territory Covered Litigation

Visa Inc., Visa International and Visa Europe are parties to certain legal proceedings that are covered by the Europe retrospective responsibility plan. Unlike the U.S. retrospective responsibility plan, the Europe retrospective responsibility plan does not have an escrow account that is used to fund settlements or judgments. The Company is entitled to recover VE territory covered losses through a periodic adjustment to the conversion rates applicable to the UK&I preferred stock and Europe preferred stock. An accrual for the VE territory covered losses and a reduction to stockholders’ equity will be recorded when the loss is deemed to be probable and reasonably estimable. See further discussion below under *VE Territory Covered Litigation* and *Note 5—U.S. and Europe Retrospective Responsibility Plans*.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

The following table summarizes the accrual activity related to VE territory covered litigation by fiscal year:

	2019	2018
	(in millions)	
Balance at beginning of period	\$ —	\$ 1
Accrual for VE territory covered litigation	165	1
Payments for VE territory covered litigation	(160)	(2)
Balance at end of period	\$ 5	\$ —

U.S. Covered Litigation

Interchange Multidistrict Litigation (MDL) – Putative Class Actions

Beginning in May 2005, a series of complaints (the majority of which were styled as class actions) were filed in U.S. federal district courts by merchants against Visa U.S.A., Visa International and/or Mastercard, and in some cases, certain U.S. financial institutions. The Judicial Panel on Multidistrict Litigation issued an order transferring the cases to the U.S. District Court for the Eastern District of New York for coordination of pre-trial proceedings in MDL 1720. A group of purported class plaintiffs subsequently filed amended and supplemental class complaints. The individual and class complaints generally challenged, among other things, Visa's and Mastercard's purported setting of interchange reimbursement fees, their "no surcharge" and honor-all-cards rules, alleged tying and bundling of transaction fees, and Visa's reorganization and IPO, under the federal antitrust laws and, in some cases, certain state unfair competition laws. The complaints sought money damages, declaratory and injunctive relief, attorneys' fees and, in one instance, an order that the IPO be unwound.

Visa Inc., Visa U.S.A., Visa International, Mastercard Incorporated, Mastercard International Incorporated, various U.S. financial institution defendants, and the class plaintiffs signed a settlement agreement (the "2012 Settlement Agreement") to resolve the class plaintiffs' claims. Pursuant to the 2012 Settlement Agreement, the Company deposited approximately \$4.0 billion from the U.S. litigation escrow account and approximately \$500 million attributable to interchange reductions for an eight-month period into court-authorized settlement accounts. Visa subsequently received from the Court and deposited into the Company's U.S. litigation escrow account "takedown payments" of approximately \$1.1 billion. On June 30, 2016, the U.S. Court of Appeals for the Second Circuit vacated the lower court's certification of the merchant class, reversed the approval of the settlement, and remanded the case to the lower court for further proceedings.

On remand, the district court entered an order appointing interim counsel for two putative classes of plaintiffs, a "Damages Class" and an "Injunctive Relief Class." The plaintiffs purporting to act on behalf of the putative Damages Class subsequently filed a Third Consolidated Amended Class Action Complaint, seeking money damages and attorneys' fees, among other relief. A new group of purported class plaintiffs, acting on behalf of the putative Injunctive Relief Class, filed a class action complaint against Visa, Mastercard, and certain bank defendants seeking, among other things, an injunction against the setting of default interchange rates; against certain Visa operating rules relating to merchants, including the honor-all-cards rule; and against various transaction fees, including the fixed acquirer network fee, as well as attorneys' fees.

VISA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

On September 17, 2018, Visa, Mastercard, and certain U.S. financial institutions reached an agreement with plaintiffs purporting to act on behalf of the putative Damages Class to resolve all Damages Class claims (the “Amended Settlement Agreement”), subject to court approval. The Amended Settlement Agreement supersedes the 2012 Settlement Agreement and includes, among other terms, a release from participating class members for liability arising out of conduct alleged by the Damages Class in the litigation, including claims that accrue no later than five years after the Amended Settlement Agreement becomes final. Participating class members will not release injunctive relief claims as a named representative or non-representative class member in the putative Injunctive Relief Class. The Amended Settlement Agreement also required an additional settlement payment from all defendants totaling \$900 million, with the Company’s share of \$600 million paid from the Company’s litigation escrow account established pursuant to the Company’s retrospective responsibility plan. See *Note 5—U.S. and Europe Retrospective Responsibility Plans*. The additional settlement payment was added to the approximately \$5.3 billion previously deposited into settlement accounts by the defendants pursuant to the 2012 Settlement Agreement. Based on the percentage of class members (by payment volume) that opted out of the class, following final approval of the Amended Settlement Agreement \$700 million will be returned to defendants. Visa’s portion of the takedown payment is calculated to be approximately \$467 million, and upon receipt, will be deposited into the litigation escrow account with a corresponding increase in accrued litigation to address opt-out claims.

On January 24, 2019, the district court granted preliminary approval of the Amended Settlement Agreement, and on June 7, 2019, the Damages Class plaintiffs moved for final approval of the Amended Settlement Agreement. Certain merchants in the proposed settlement class have objected to the settlement and/or submitted requests to opt out of the settlement class. The district court held a settlement approval hearing on November 7, 2019.

Settlement discussions with plaintiffs purporting to act on behalf of the putative Injunctive Relief Class are ongoing. On January 16, 2019, the bank defendants moved to dismiss the claims brought against them by the Injunctive Relief Class on the grounds that plaintiffs lack standing and failed to state a claim against the bank defendants.

Interchange Multidistrict Litigation (MDL) – Individual Merchant Actions

Since May 2013, more than 50 cases have been filed in or removed to various federal district courts by hundreds of merchants generally pursuing damages claims on allegations similar to those raised in MDL 1720. The cases name as defendants Visa Inc., Visa U.S.A., Visa International, Mastercard Incorporated and Mastercard International Incorporated, although some also include certain U.S. financial institutions as defendants. A number of the cases include allegations that Visa has monopolized, attempted to monopolize, and/or conspired to monopolize debit card-related market segments. Some of the cases seek an injunction against the setting of default interchange rates; certain Visa operating rules relating to merchants, including the honor-all-cards rule; and various transaction fees, including the fixed acquirer network fee. In addition, some cases assert that Visa, Mastercard and/or their member banks conspired to prevent the adoption of chip-and-PIN authentication in the U.S. or otherwise circumvent competition in the debit market. Certain individual merchants have filed amended complaints to, among other things, add claims for injunctive relief and update claims for damages.

In addition to the cases filed by individual merchants, Visa, Mastercard, and certain U.S. financial institution defendants in MDL 1720 filed complaints against certain merchants in the Eastern District of New York seeking, in part, a declaration that Visa’s conduct did not violate federal or state antitrust laws.

The individual merchant actions described in this section have been either assigned to the judge presiding over MDL 1720, or have been transferred or are being considered for transfer by the Judicial Panel on Multidistrict Litigation for inclusion in MDL 1720. These individual merchant actions are U.S. covered litigation for purposes of the U.S. retrospective responsibility plan. See *Note 5—U.S. and Europe Retrospective Responsibility Plans*.

The Company believes it has substantial defenses to the claims asserted in the putative class actions and individual merchant actions, but the final outcome of individual legal claims is inherently unpredictable. The Company could incur judgments, enter into settlements or revise its expectations regarding the outcome of merchants’ claims, and such developments could have a material adverse effect on the Company’s financial results in the period in which the effect becomes probable and reasonably estimable. While the U.S. retrospective responsibility plan is designed to address monetary liability in these matters, see *Note 5—U.S. and Europe Retrospective Responsibility Plans*, judgments or settlements that require the Company to change its business practices, rules, or contractual commitments could adversely affect the Company’s financial results.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

VE Territory Covered Litigation*Europe Merchant Litigation*

Since July 2013, in excess of 500 Merchants (the capitalized term “Merchant,” when used in this section, means a merchant together with subsidiary/affiliate companies that are party to the same claim) have commenced proceedings against Visa Europe, Visa Inc. and other Visa subsidiaries in the UK and Germany primarily relating to interchange rates in Europe and in some cases relating to fees charged by Visa and certain Visa rules. They seek damages for alleged anti-competitive conduct in relation to one or more of the following types of interchange fees for credit and debit card transactions: UK domestic, Irish domestic, other European domestic, intra-European Economic Area and/or other inter-regional. As of the filing date, Visa Europe, Visa Inc. and Visa International have settled the claims asserted by over 100 Merchants, leaving more than 400 Merchants with outstanding claims. In addition, over 30 additional Merchants have threatened to commence similar proceedings. Standstill agreements have been entered into with respect to some of those threatened Merchant claims, several of which have been settled. While the amount of interchange being challenged could be substantial, these claims have not yet been filed and their full scope is not yet known. The Company has learned that several additional European entities have indicated that they may also bring similar claims and the Company anticipates additional claims in the future.

A trial took place from November 2016 to March 2017, relating to claims asserted by only one Merchant. In judgments published in November 2017 and February 2018, the court found as to that Merchant that Visa’s UK domestic interchange did not restrict competition, but that if it had been found to be restrictive it would not be exemptible under applicable law. In April 2018, the Court of Appeal heard the Merchant’s appeal of the decision alongside two separate Mastercard cases also involving interchange claims. On July 4, 2018, the Court of Appeal overturned the lower court’s rulings, finding that Visa’s UK domestic interchange restricted competition and the question of whether Visa’s UK domestic interchange was exempt from the finding of restriction under applicable law had been incorrectly decided. The Court of Appeal remitted the claim to the lower court to reconsider the exemption issue and the assessment of damages. On November 29, 2018, Visa was granted permission to appeal aspects of the Court of Appeal’s judgment to the Supreme Court of the United Kingdom, including the question of whether Visa’s UK interchange restricted competition. The Supreme Court is scheduled to hold a hearing on the appeal in January 2020.

The full scope of damages is not yet known because not all Merchant claims have been served and Visa has substantial defenses. However, the claims that have been issued, served and/or preserved seek several billion dollars in damages.

Other Litigation*European Commission DCC Investigation*

In 2013, the European Commission (EC) opened an investigation against Visa Europe, based on a complaint alleging that Visa Europe’s pricing of and rules relating to Dynamic Currency Conversion (DCC) transactions infringe EU competition rules. This investigation is pending.

Canadian Merchant Litigation

Beginning in December 2010, a number of class action lawsuits were filed in Quebec, British Columbia, Ontario, Saskatchewan and Alberta against Visa Canada, Mastercard and ten financial institutions on behalf of merchants that accept payment by Visa and/or Mastercard credit cards. The actions allege a violation of Canada’s price-fixing law and various common law claims based on separate Visa and Mastercard conspiracies in respect of default interchange and certain of the networks’ rules. In 2015 and 2016, four financial institutions settled with the plaintiffs. In June 2017, Visa, Mastercard and a fifth financial institution also reached settlements with the plaintiffs. Settlement approval hearings were held in 2018 and courts in each of the five provinces approved the settlements. Wal-Mart Canada and/or Home Depot of Canada Inc. have filed notices of appeal of the decisions approving the settlements. On August 30, 2019, September 9, 2019, and October 17, 2019, the Court of Appeals in British Columbia, Quebec and Ontario, respectively, rejected the appeals filed by Wal-Mart Canada and Home Depot of Canada Inc. Appeals are pending in the remaining provinces.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

U.S. ATM Access Fee Litigation

National ATM Council Class Action. In October 2011, the National ATM Council and thirteen non-bank ATM operators filed a purported class action lawsuit against Visa (Visa Inc., Visa International, Visa U.S.A. and Plus System, Inc.) and Mastercard in the U.S. District Court for the District of Columbia. The complaint challenges Visa's rule (and a similar Mastercard rule) that if an ATM operator chooses to charge consumers an access fee for a Visa or Plus transaction, that fee cannot be greater than the access fee charged for transactions on other networks. Plaintiffs claim that the rule violates Section 1 of the Sherman Act, and seek treble damages, injunctive relief, and attorneys' fees. On September 20, 2019, plaintiffs filed a motion for class certification.

Consumer Class Actions. In October 2011, a purported consumer class action was filed against Visa and Mastercard in the same federal court challenging the same ATM access fee rules. Two other purported consumer class actions challenging the rules, later combined, were also filed in October 2011 in the same federal court naming Visa, Mastercard and three financial institutions as defendants. Plaintiffs seek treble damages, restitution, injunctive relief, and attorneys' fees where available under federal and state law, including under Section 1 of the Sherman Act and consumer protection statutes. On September 20, 2019, plaintiffs in both cases filed motions for class certification.

U.S. Department of Justice Civil Investigative Demand

On March 13, 2012, the Antitrust Division of the United States Department of Justice (the "Division") issued a Civil Investigative Demand, or "CID," to Visa Inc. seeking documents and information regarding a potential violation of Section 1 or 2 of the Sherman Act, 15 U.S.C. §§ 1, 2. The CID focuses on PIN-Authenticated Visa Debit and Visa's competitive responses to the Dodd-Frank Act, including Visa's fixed acquirer network fee. Visa is cooperating with the Division in connection with the CID.

Pulse Network

On November 25, 2014, Pulse Network LLC filed suit against Visa Inc. in federal district court in Texas. Pulse alleges that Visa has, among other things, monopolized and attempted to monopolize debit card network services markets. Pulse seeks unspecified treble damages, attorneys' fees and injunctive relief, including to enjoin the fixed acquirer network fee structure, Visa's conduct regarding PIN-Authenticated Visa Debit and Visa agreements with merchants and acquirers relating to debit acceptance. On August 31, 2018, the court granted Visa's motion for summary judgment, finding that Pulse did not have standing to pursue its claims. Pulse appealed the district court's summary judgment decision to the U.S. Court of Appeals for the Fifth Circuit, which held oral argument on October 9, 2019.

EMV Chip Liability Shift

Following their initial complaint filed on March 8, 2016, B&R Supermarket, Inc., d/b/a Milam's Market, and Grove Liquors LLC filed an amended class action complaint on July 15, 2016, against Visa Inc., Visa U.S.A., Mastercard, Discover, American Express, EMVCo and certain financial institutions in the U.S. District Court for the Northern District of California. The amended complaint asserts that defendants, through EMVCo, conspired to shift liability for fraudulent, faulty or otherwise rejected payment card transactions from defendants to the purported class of merchants, defined as those merchants throughout the U.S. who have been subjected to the "Liability Shift" since October 2015. Plaintiffs claim that the so-called "Liability Shift" violates Sections 1 and 3 of the Sherman Act and certain state laws, and seek treble damages, injunctive relief and attorneys' fees.

EMVCo and the financial institution defendants were dismissed, and the matter was subsequently transferred to the U.S. District Court for the Eastern District of New York, which has clarified that this case is not part of MDL 1720.

Plaintiffs filed a renewed motion for class certification on July 16, 2018, following an earlier denial of the motion without prejudice. Plaintiffs' renewed motion was terminated without prejudice to reinstatement on October 17, 2018, but was subsequently reinstated and is currently pending.

VISA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
September 30, 2019

Nuts for Candy

On April 5, 2017, plaintiff Nuts for Candy, on behalf of itself and a putative class of California merchants that have accepted Visa-branded cards since January 1, 2004, filed a lawsuit against Visa Inc., Visa International and Visa U.S.A. in California state court. Nuts for Candy pursues claims under California state antitrust and unfair business statutes, seeking damages, costs and other remedies. On October 18, 2018, the court stayed the Nuts for Candy case pending the district court's decision on preliminary and final approval of the Amended Settlement Agreement discussed above under *Interchange Multidistrict Litigation (MDL) – Putative Class Actions*.

Brazilian Administrative Council for Economic Defense

On October 15, 2018, the Brazilian Administrative Council for Economic Defense (“CADE”) initiated an investigation against Visa, Mastercard, American Express and Elo seeking information regarding potential competition law violations with respect to network rules that require acquirers to receive certain information from payment facilitators. On October 15, 2019, CADE issued a recommendation to dismiss the investigation, which was dismissed as of October 30, 2019.

Australian Competition & Consumer Commission

On July 12, 2019, the Australian Competition & Consumer Commission (ACCC) informed Visa that the ACCC has commenced an investigation into certain agreements and interchange fees relating to Visa Debit. Visa is cooperating with the ACCC.

Federal Trade Commission Voluntary Access Letter

On November 4, 2019, the Bureau of Competition of the United States Federal Trade Commission (the “Bureau”) requested that Visa provide, on a voluntary basis, documents and information for an investigation as to whether Visa's actions inhibited merchant choice in the selection of debit payments networks in potential violation of the Durbin Amendment to the Dodd-Frank Wall Street Reform and Consumer Protection Act. Visa is cooperating with the Bureau.

Selected Quarterly Financial Data (Unaudited)

The following tables show selected quarterly operating results for each quarter and full year of fiscal 2019 and 2018 for the Company:

	Quarter Ended (unaudited)				Fiscal Year
	September 30, 2019 ⁽¹⁾	June 30, 2019	March 31, 2019	December 31, 2018	2019
	(in millions, except per share data)				
Net revenues	\$ 6,137	\$ 5,840	\$ 5,494	\$ 5,506	\$ 22,977
Operating income	\$ 3,735	\$ 3,908	\$ 3,641	\$ 3,717	\$ 15,001
Net income	\$ 3,025	\$ 3,101	\$ 2,977	\$ 2,977	\$ 12,080
Basic earnings per share					
Class A common stock	\$ 1.34	\$ 1.37	\$ 1.31	\$ 1.30	\$ 5.32
Class B common stock	\$ 2.19	\$ 2.23	\$ 2.13	\$ 2.12	\$ 8.68
Class C common stock	\$ 5.38	\$ 5.48	\$ 5.23	\$ 5.20	\$ 21.30
Diluted earnings per share					
Class A common stock	\$ 1.34	\$ 1.37	\$ 1.31	\$ 1.30	\$ 5.32
Class B common stock	\$ 2.19	\$ 2.23	\$ 2.13	\$ 2.12	\$ 8.66
Class C common stock	\$ 5.37	\$ 5.48	\$ 5.23	\$ 5.20	\$ 21.26

	Quarter Ended (unaudited)				Fiscal Year
	September 30, 2018 ⁽¹⁾	June 30, 2018 ⁽¹⁾	March 31, 2018	December 31, 2017 ⁽¹⁾	2018
	(in millions, except per share data)				
Net revenues	\$ 5,434	\$ 5,240	\$ 5,073	\$ 4,862	\$ 20,609
Operating income	\$ 3,406	\$ 2,885	\$ 3,336	\$ 3,327	\$ 12,954
Net income	\$ 2,845	\$ 2,329	\$ 2,605	\$ 2,522	\$ 10,301
Basic earnings per share					
Class A common stock	\$ 1.24	\$ 1.00	\$ 1.12	\$ 1.07	\$ 4.43
Class B common stock	\$ 2.01	\$ 1.66	\$ 1.84	\$ 1.77	\$ 7.28
Class C common stock	\$ 4.94	\$ 4.02	\$ 4.46	\$ 4.30	\$ 17.72
Diluted earnings per share					
Class A common stock	\$ 1.23	\$ 1.00	\$ 1.11	\$ 1.07	\$ 4.42
Class B common stock	\$ 2.01	\$ 1.65	\$ 1.84	\$ 1.77	\$ 7.27
Class C common stock	\$ 4.93	\$ 4.01	\$ 4.46	\$ 4.29	\$ 17.69

⁽¹⁾ The Company's unaudited consolidated statement of operations include the impact of several significant one-time items. See *Overview* within *Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations* of this report.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

Not applicable.

ITEM 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain a system of disclosure controls and procedures (as defined in the Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) that is designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, as of September 30, 2019, our disclosure controls and procedures were effective at the reasonable assurance level.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. These limitations include the possibility of human error, the circumvention or overriding of the controls and procedures and reasonable resource constraints. In addition, because we have designed our system of controls based on certain assumptions, which we believe are reasonable, about the likelihood of future events, our system of controls may not achieve its desired purpose under all possible future conditions. Accordingly, our disclosure controls and procedures provide reasonable assurance, but not absolute assurance, of achieving their objectives.

Management’s Report on Internal Control over Financial Reporting

The Company’s management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Management assessed the effectiveness of the Company’s internal control over financial reporting as of September 30, 2019. Based on management’s assessment, management has concluded that the Company’s internal control over financial reporting was effective as of September 30, 2019 using the criteria set forth in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Our internal control over financial reporting is designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with U.S. generally accepted accounting principles. There are inherent limitations to the effectiveness of any system of internal control over financial reporting. These limitations include the possibility of human error, the circumvention or overriding of the system and reasonable resource constraints. Because of its inherent limitations, our internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks discussed in *Item 1A—Risk Factors* of this report.

The effectiveness of our internal control over financial reporting as of September 30, 2019, has been audited by KPMG LLP, an independent registered public accounting firm and is included in *Item 8* of this report.

Changes in Internal Control over Financial Reporting

In preparation for management’s report on internal control over financial reporting, we documented and tested the design and operating effectiveness of our internal control over financial reporting. During fiscal 2019, the Company implemented a new client incentives accounting system along with enhancements and modifications to existing internal controls and procedures to comply with the new revenue standard. There were no other significant changes in our internal controls over financial reporting that occurred during the year ended September 30, 2019, that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

ITEM 9B. Other Information

Not applicable.

PART III

Certain information required by Part III is omitted from this Report and the Company will file a definitive proxy statement pursuant to Regulation 14A under the Exchange Act (the "Proxy Statement") not later than 120 days after the end of the fiscal year ended September 30, 2019, and certain information included therein is incorporated herein by reference. Only those sections of the Proxy Statement that specifically address the items set forth herein are incorporated by reference. Such incorporation does not include the report of the Audit and Risk Committee included in the Proxy Statement.

ITEM 10. Directors, Executive Officers and Corporate Governance

The information required by this item concerning the Company's directors, executive officers, the Code of Business Conduct and Ethics and corporate governance matters is incorporated herein by reference to the sections entitled "*Director Nominee Biographies*," "*Executive Officers*" and "*Corporate Governance*" in our Proxy Statement.

The information required by this item regarding compliance with Section 16(a) of the Exchange Act pursuant to Item 405 of Regulation S-K is incorporated herein by reference to the section entitled "*Section 16(a) Beneficial Ownership Reporting Compliance*" in our Proxy Statement.

Our Code of Business Conduct and Ethics that is applicable to our directors, executive officers, senior financial officers, as well as our employees and contractors and our Corporate Governance Guidelines are available on the Investor Relations page of our website at <http://investor.visa.com>, under "Corporate Governance." Printed copies of these documents are also available to stockholders without charge upon written request directed to Corporate Secretary, Visa Inc., P.O. Box 193243, San Francisco, California 94119.

ITEM 11. Executive Compensation

The information required by this item concerning director and executive compensation is incorporated herein by reference to the sections entitled "*Compensation of Non-Employee Directors*" and "*Executive Compensation*" in our Proxy Statement.

The information required by this item pursuant to Item 407(e)(4) of Regulation S-K is incorporated herein by reference to the section entitled "*Compensation Committee Interlocks and Insider Participation*" in our Proxy Statement.

The information required by this item pursuant to Item 407(e)(5) of Regulation S-K is incorporated herein by reference to the section entitled "*Compensation Committee Report*" in our Proxy Statement.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item pursuant to Item 403 of Regulation S-K is incorporated herein by reference to the section entitled "*Beneficial Ownership of Equity Securities*" in our Proxy Statement.

For the information required by item 201(d) of Regulation S-K, refer to *Item 5* in this report.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item concerning related party transactions pursuant to Item 404 of Regulation S-K is incorporated herein by reference to the section entitled "*Certain Relationships and Related Person Transactions*" in our Proxy Statement.

The information required by this item concerning director independence pursuant to Item 407(a) of Regulation S-K is incorporated herein by reference to the section entitled "*Independence of Directors*" in our Proxy Statement.

ITEM 14. Principal Accountant Fees and Services

The information required by this Item is incorporated herein by reference to the section entitled "*Independent Registered Public Accounting Firm Fees*" in our Proxy Statement.

PART IV

ITEM 15. Exhibits and Financial Statement Schedules

The following documents are filed as part of this report:

1. Consolidated Financial Statements
See Index to Consolidated Financial Statements in *Item 8—Financial Statements and Supplementary Data* of this report.
2. Consolidated Financial Statement Schedules
None.
3. The following exhibits are filed as part of this report or, where indicated, were previously filed and are hereby incorporated by reference:
Refer to the Exhibit Index herein.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference			
		Form	File Number	Exhibit Number	Filing Date
2.1	Amended and Restated Transaction Agreement, dated as of May 10, 2016, between Visa Inc. and Visa Europe Limited #	8-K	001-33977	2.1	5/10/2016
3.1	Sixth Amended and Restated Certificate of Incorporation of Visa Inc.	8-K	001-33977	3.2	1/29/2015
3.2	Certificate of Correction of the Certificate of Incorporation of Visa Inc.	8-K	001-33977	3.1	2/27/2015
3.3	Amended and Restated Bylaws of Visa Inc.	8-K	001-33977	3.3	7/17/2019
4.1	Form of stock certificate of Visa Inc.	S-4/A	333-143966	4.1	9/13/2007
4.2	Form of specimen certificate for class B common stock of Visa Inc.	8-A	000-53572	4.1	1/28/2009
4.3	Form of specimen certificate for class C common stock of Visa Inc.	8-A	000-53572	4.2	1/28/2009
4.4	Indenture dated December 14, 2015 between Visa Inc. and U.S. Bank National Association	8-K	001-33977	4.1	12/14/2015
4.5	Form of 2.200% Senior Note due 2020	8-K	001-33977	4.3	12/14/2015
4.6	Form of 2.150% Senior Note due 2022	8-K	001-33977	4.1	9/11/2017
4.7	Form of 2.800% Senior Note due 2022	8-K	001-33977	4.4	12/14/2015
4.8	Form of 3.150% Senior Note due 2025	8-K	001-33977	4.5	12/14/2015
4.9	Form of 2.750% Senior Note due 2027	8-K	001-33977	4.2	9/11/2017
4.10	Form of 4.150% Senior Note due 2035	8-K	001-33977	4.6	12/14/2015
4.11	Form of 4.300% Senior Note due 2045	8-K	001-33977	4.7	12/14/2015
4.12	Form of 3.650% Senior Note due 2047	8-K	001-33977	4.3	9/11/2017
4.13	Certificate of Designations of Series A Convertible Participating Preferred Stock of Visa Inc.	8-K	001-33977	3.1	6/21/2016
4.14	Certificate of Designations of Series B Convertible Participating Preferred Stock of Visa Inc.	8-K	001-33977	3.2	6/21/2016
4.15	Certificate of Designations of Series C Convertible Participating Preferred Stock of Visa Inc.	8-K	001-33977	3.3	6/21/2016
4.16+	Description of Securities				
10.1	Form of Indemnity Agreement	8-K	001-33977	10.1	10/25/2012

[Table of Contents](#)

10.2	Amended and Restated Global Restructuring Agreement, dated August 24, 2007, by and among Visa Inc., Visa International Service Association, Visa U.S.A. Inc., Visa Europe Limited, Visa Canada Association, Inovant LLC, Inovant, Inc., Visa Europe Services, Inc., Visa International Transition LLC, VI Merger Sub, Inc., Visa USA Merger Sub Inc. and 1734313 Ontario Inc.	S-4/A	333-143966	Annex A	9/13/2007
10.3	Form of Escrow Agreement by and among Visa Inc., Visa U.S.A. Inc. and the escrow agent	S-4	333-143966	10.15	6/22/2007
10.4	Form of Framework Agreement by and among Visa Inc., Visa Europe Limited, Inovant LLC, Visa International Services Association and Visa U.S.A. Inc. †	S-4/A	333-143966	10.17	7/24/2007
10.5+	Five Year Revolving Credit Agreement, amended and restated as of July 25, 2019, by and among Visa Inc., Visa International Service Association, Visa U.S.A. Inc. and Visa Europe Limited, as borrowers, Bank of America, N.A., as administrative agent, JPMorgan Chase Bank N.A., as syndication agent, and the lenders referred to therein #				
10.6	Form of Interchange Judgment Sharing Agreement by and among Visa International Service Association and Visa U.S.A. Inc., and the other parties thereto †	S-4/A	333-143966	10.13	7/24/2007
10.7	Interchange Judgment Sharing Agreement Schedule	8-K	001-33977	10.2	2/8/2011
10.8	Amendment of Interchange Judgment Sharing Agreement	10-K	001-33977	10.10	11/20/2015
10.9	Form of Loss Sharing Agreement by and among Visa U.S.A. Inc., Visa International Service Association, Visa Inc. and various financial institutions	S-4/A	333-143966	10.14	7/24/2007
10.10	Loss Sharing Agreement Schedule	8-K	001-33977	10.1	2/8/2011
10.11	Amendment of Loss Sharing Agreement	10-K	001-33977	10.13	11/20/2015
10.12	Form of Litigation Management Agreement by and among Visa Inc., Visa International Service Association, Visa U.S.A. Inc. and the other parties thereto	S-4/A	333-143966	10.18	8/22/2007
10.13	Omnibus Agreement, dated February 7, 2011, regarding Interchange Litigation Judgment Sharing and Settlement Sharing by and among Visa Inc., Visa U.S.A. Inc., Visa International Service Association, Mastercard Incorporated, Mastercard International Incorporated and the parties thereto	8-K	001-33977	10.2	7/16/2012
10.14	Amendment, dated August 26, 2014, to the Omnibus Agreement regarding Interchange Litigation Judgment Sharing and Settlement Sharing by and among Visa Inc., Visa U.S.A. Inc., Visa International Service Association, Mastercard Incorporated, Mastercard International Incorporated and the parties thereto	10-K	001-33977	10.14	11/21/2014
10.15	Second Amendment, dated October 22, 2015, to Omnibus Agreement regarding Interchange Litigation Judgment Sharing and Settlement Sharing	10-K	001-33977	10.17	11/20/2015

[Table of Contents](#)

10.16	Settlement Agreement, dated October 19, 2012, by and among Visa Inc., Visa U.S.A. Inc., Visa International Service Association, Mastercard Incorporated, Mastercard International Incorporated, various U.S. financial institution defendants, and the class plaintiffs to resolve the class plaintiffs' claims in the matter styled In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation, No. 05-MD-1720	10-Q	001-33977	10.3	2/6/2013
10.17	Superseding and Amended Settlement Agreement, dated September 17, 2018, by and among Visa Inc., Visa U.S.A. Inc., Visa International Service Association, Mastercard Incorporated, Mastercard International Incorporated, various U.S. financial institution defendants, and the damages class plaintiffs to resolve the damages class plaintiffs' claims in the matter styled In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation, No. 05-MD-1720	8-K	001-33977	10.1	9/18/2018
10.18	Loss Sharing Agreement, dated as of November 2, 2015, among the UK Members listed on Schedule 1 thereto, Visa Inc. and Visa Europe Limited	8-K	001-33977	10.1	11/2/2015
10.19	Litigation Management Deed, dated as of June 21, 2016, by and among the VE Member Representative, Visa Inc., the LMC Appointing Members, the UK&I DCC Appointing Members, the Europe DCC Appointing Members and the UK&I DCC Interested Members	8-K	001-33977	10.1	6/21/2016
10.20*	Visa 2005 Deferred Compensation Plan, effective as of August 12, 2015	10-K	001-33977	10.21	11/20/2015
10.21*	Visa Directors Deferred Compensation Plan, as amended and restated as of July 22, 2014	10-K	001-33977	10.17	11/21/2014
10.22*	Visa Inc. 2007 Equity Incentive Compensation Plan, as amended and restated as of February 3, 2016	DEFA 14A	001-33977	Annex A	1/12/2016
10.23*	Visa Inc. Incentive Plan, as amended and restated as of February 3, 2016	DEF 14A	001-33977	Annex B	12/11/2015
10.24*	Visa Excess Thrift Plan, as amended and restated as of January 1, 2008	10-K	001-33977	10.31	11/21/2008
10.25*	Visa Excess Retirement Benefit Plan, as amended and restated as of January 1, 2008	10-K	001-33977	10.32	11/21/2008
10.26*	First Amendment, effective January 1, 2011, of the Visa Excess Retirement Benefit Plan, as amended and restated as of January 1, 2008	10-K	001-33977	10.34	11/18/2011
10.27*	Visa Inc. Executive Severance Plan, effective as of November 3, 2010	8-K	001-33977	10.1	11/9/2010
10.28*	Visa Inc. 2015 Employee Stock Purchase Plan	DEF 14A	001-33977	Appendix B	12/12/2014
10.29*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Stock Option Award Agreement for awards granted after November 18, 2013	10-Q	001-33977	10.1	1/30/2014

[Table of Contents](#)

10.30*	Form of Alternate Visa Inc. 2007 Equity Incentive Compensation Plan Stock Option Award Agreement for awards granted after November 18, 2013	10-Q	001-33977	10.5	1/30/2014
10.31*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Director Restricted Stock Unit Award Agreement for awards granted after November 1, 2014	10-K	001-33977	10.40	11/21/2014
10.32*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Stock Option Award Agreement for awards granted after November 1, 2014	10-K	001-33977	10.41	11/21/2014
10.33*	Form of Alternate Visa Inc. 2007 Equity Incentive Compensation Plan Stock Option Award Agreement for awards granted after November 1, 2014	10-K	001-33977	10.45	11/21/2014
10.34*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Stock Option Award Agreement for awards granted after November 1, 2015	10-Q	001-33977	10.1	1/28/2016
10.35*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Restricted Stock Unit Award Agreement for awards granted after November 1, 2015	10-Q	001-33977	10.2	1/28/2016
10.36*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Performance Share Award Agreement for awards granted after November 1, 2015	10-Q	001-33977	10.3	1/28/2016
10.37*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Restricted Stock Unit Award Agreement for the CEO, for the Make-Whole Award.	10-K	001-33977	10.52	11/15/2016
10.38*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Director Restricted Stock Unit Award Agreement for awards granted after November 1, 2018	10-Q	001-33977	10.1	1/31/2019
10.39*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Restricted Stock Unit Award Agreement for the CEO for awards granted after November 1, 2018	10-Q	001-33977	10.2	1/31/2019
10.40*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Stock Option Award Agreement for the CEO for awards granted after November 1, 2018	10-Q	001-33977	10.3	1/31/2019
10.41*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Performance Share Award Agreement for the CEO for awards granted after November 1, 2018	10-Q	001-33977	10.4	1/31/2019
10.42*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Restricted Stock Unit Award Agreement for awards granted after November 1, 2018	10-Q	001-33977	10.5	1/31/2019
10.43*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Stock Option Award Agreement for awards granted after November 1, 2018	10-Q	001-33977	10.6	1/31/2019

[Table of Contents](#)

10.44*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Performance Share Award Agreement for awards granted after November 1, 2018	10-Q	001-33977	10.7	1/31/2019
10.45*	Form of Letter Agreement relating to Visa Inc. Executive Severance Plan	8-K	001-33977	10.2	11/9/2010
10.46*	Form of Visa Inc. 2007 Equity Incentive Compensation Plan Director Restricted Stock Unit Award Agreement for awards granted after November 1, 2017	10-Q	001-33977	10.1	2/1/2018
10.47*	Offer Letter, dated October 17, 2016, between Visa Inc. and Alfred F. Kelly, Jr.	8-K	001-33977	99.1	10/21/2016
10.48*+	Amended and Restated Aircraft Time Sharing Agreement, effective November 1, 2019, between Visa Inc. and Alfred F. Kelly, Jr.				
21.1+	List of Significant Subsidiaries of Visa Inc.				
23.1+	Consent of KPMG LLP, Independent Registered Public Accounting Firm				
31.1+	Certification of the Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
31.2+	Certification of the Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
32.1+	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
32.2+	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
101.INS	XBRL Instance Document				
101.SCH	XBRL Taxonomy Extension Schema Document				
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document				

† Confidential treatment has been requested for portions of this agreement. A completed copy of the agreement, including the redacted portions, has been filed separately with the SEC.

* Management contract, compensatory plan or arrangement.

+ Filed or furnished herewith.

Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule will be furnished supplementally to the SEC upon request; provided, however, that the parties may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any document so furnished.

**DESCRIPTION OF SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF
THE SECURITIES EXCHANGE ACT OF 1934**

The following summary describes our class A common stock, par value \$0.0001 per share, class B common stock, par value \$0.0001 per share, and class C common stock, par value \$0.0001 per share, of Visa Inc., (the "Company"), which are the only securities of the Company registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended.

DESCRIPTION OF COMMON STOCK

The following summary describes the material terms of our common stock and is not complete. This summary is qualified in its entirety by reference to applicable Delaware law, our Certificate of Incorporation and our amended and restated bylaws (our "Bylaws"). For a complete description of our common stock, we refer you to our Certificate of Incorporation and Bylaws, which have been filed with the SEC and are incorporated by reference as exhibits to this Annual Report on Form 10-K.

Authorized Capitalization

Our authorized common stock consists of:

- 2,001,622,245,209 shares of class A common stock, par value \$0.0001 per share;

- 622,245,209 shares of class B common stock, par value \$0.0001 per share;

- 1,097,165,602 shares of class C common stock, par value \$0.0001 per share; and

- 25,000,000 shares of preferred stock, par value \$0.0001 per share.

The number of authorized shares of any preferred stock, class A common stock, class B common stock or class C common stock may be increased or decreased (but not below the number of shares of that class then outstanding) by the affirmative vote of the holders of a majority in voting power of our stock entitled to vote thereon, and no vote or action by the holders of any of the preferred stock, class A common stock, class B common stock or class C common stock, voting separately as a class, is required for any such increase or decrease.

Description of Common Stock

Voting Rights . Each holder of class A common stock has the right to cast one vote for each share of class A common stock held of record by such holder on all matters on which our stockholders generally are entitled to vote.

Each holder of class B common stock and each holder of class C common stock has no right to vote on any matters on which stockholders generally are entitled to vote. However, in addition to any other vote required by law, for so long as any shares of class B common stock or class C common stock remain issued and outstanding:

- the affirmative vote of the holders of a majority of the voting power of the class B common stock and class C common stock, voting together as a single class (in which vote the class A common stock will not participate) separate from all other classes or series of our capital stock, on an “as-converted basis” as described in the following paragraph, is required for the approval of any consolidation, merger, combination or other transaction in which shares of class A common stock are exchanged for, converted into or changed into other stock or securities, or the right to receive cash or other property, unless the shares of class B common stock and the shares of class C common stock will be exchanged for or changed into the same per share amount of stock, securities, cash or any other property, as the case may be, for which or into which each share of class A common stock is exchanged, converted or changed; and
- the affirmative vote of the holders of at least 80% of the voting power of the common stock of all classes and series, voting together as a single class separate from all other classes or series of our capital stock, shall be required to authorize us to exit our core payments business (i.e., to no longer operate a consumer debit/credit payments business).

For purposes of the prior paragraph, “as-converted basis” means, with respect to each share of class B common stock or class C common stock entitled to vote on any matter, a number of votes equal to the aggregate number of shares of class A common stock into which each share of class B common stock or class C common stock owned by such holder would be converted, assuming the conversion at the applicable conversion rate in effect on the record date for such vote.

Conversion. In the event that any outstanding share of our class B common stock or class C common stock is transferred to a person other than a Visa member or an affiliate of a Visa member, as defined in our Certificate of Incorporation, such share will, automatically and without further action on our part or on the part of any holder of class B common stock or class C common stock, as applicable, immediately prior to the transfer, be converted into shares of class A common stock based upon the applicable conversion rate in effect on the date of that transfer. However, in no event shall any share of class B common stock or class C common stock, as applicable, be converted into any shares of class A common stock except in connection with (i) a sale of such shares on a securities exchange on which shares of class A common stock are listed by means of a “brokers’ transaction” within the meaning of paragraph (g) of Rule 144 under the Securities Act or (ii) a private placement of such shares to a person who is not a Visa member or an affiliate of a Visa member. In addition, no such conversion shall be effected until the expiration of all applicable restrictions on transfer of such shares described under “—Transfer Restrictions,” although our board of directors may make exceptions to such transfer restrictions. Shares of class B common stock or class C common stock so converted will cease to be outstanding and shall no longer be issuable by us. Shares of class B common stock and class C common stock are convertible into shares of class A common stock only in connection with a transfer described above, and no holder of any shares of class B common stock or class C common stock has the right to convert, or to require us to convert, such shares into shares of class A common stock at any time.

As of September 30, 2019, the conversion rate applicable to our shares of class B common stock was 1.6228-to-one, subject to adjustments for stock splits, recapitalizations and similar transactions. This conversion rate will automatically be adjusted upon the issuance of any shares of our class A common stock which are designated as loss shares, the net proceeds of which are to be deposited in the escrow account to satisfy any settlements or judgments in respect of any covered litigation and upon the deposit of funds designated as “loss funds” by our board of directors, into the escrow account in accordance with the terms of the escrow agreement and our Certificate of Incorporation. The applicable conversion rate will also be adjusted upon the final resolution of the covered litigation and the release of funds then remaining on deposit in the escrow account. These adjustments will be made automatically, such that one share of class B common stock is convertible into a number of shares of class A common stock determined based upon the following formulae:

- $1.0 \times (A - B - D)$, during the period between March 25, 2008 and the final resolution of the covered litigation; and
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- $1.0 \times (A - B - D + C)$, after the final resolution of all of the covered litigation.

For purposes of these formulae:

“A” will be equal to 0.7142888829.

“B” will be a fraction:

- the numerator of which is the number of loss shares that have been issued; and
- the denominator of which is 982,053,540, which we refer to as the class B number.

“C” will be a fraction:

- the numerator of which is the quotient obtained by dividing the aggregate portion of any funds disbursed to us from the escrow account after the final resolution of the covered litigation (other than certain tax distributions and reimbursements related to the loss sharing agreement) by the greater of \$0.04 or the volume-weighted average price per share of our class A common stock during the 90 trading day period ending on the third trading day immediately preceding the date on which the covered litigation is finally resolved; and
- the denominator of which is the class B number.

“D” will be a fraction:

- the numerator of which is the sum of what we call the loss funds share equivalents (described below) in respect of all deposits of loss funds into the escrow account; and
- the denominator of which is the class B number.

The loss funds share equivalent in respect of a deposit of loss funds into the escrow account made after January 1, 2009, is the quotient obtained by dividing the amount of those deposited loss funds by an amount we call the loss funds cost per share applicable to such deposit. The loss funds cost per share applicable to a deposit of loss funds into the escrow account is the weighted average of each day's volume-weighted average price per share (which we refer to as the daily VWAP) of our class A common stock over a period that begins on the date our board of directors approves the deposit of those loss funds (which we refer to as the funding decision date) and lasts for a certain number of trading days. That number of trading days that any such period lasts is equal to a quotient obtained by dividing:

- another quotient, obtained by dividing the amount of those loss funds by the volume-weighted average of the daily VWAP of our class A common stock over the five trading days immediately preceding the funding decision date, by
- 15% of the average daily trading volume of the class A common stock over the four calendar weeks prior to the week of the funding decision date (or such other percentage as set by our board of directors and consented to by members of the litigation committee).

For deposits made in calendar year 2008, the loss funds share equivalent is the quotient obtained by dividing the amount of such loss funds deposit by the weighted average of the daily VWAP during the 15 trading days most closely preceding and including December 19, 2008.

After the date on which all of the covered litigation has been finally resolved, any amounts remaining on deposit in the escrow account with respect to the covered litigation will be released to us and the conversion rate applicable to any transfer of shares of our class B common stock will automatically be adjusted in favor of the holders of our class B common stock (i.e., such that a lesser number of shares of class B common stock are required in order to convert into a single share of class A common stock), to the extent of the aggregate amount released to us from the escrow account, taking into account the weighted average trading price of our class A common stock at such time, as described above.

The conversion rate applicable to any transfer of shares of our class C common stock shall always be four-to-one (i.e., one share of class C common stock will, upon transfer, be converted into four shares of class A common stock), subject to adjustments for stock splits, recapitalizations and similar transactions.

If any shares of our class A common stock are acquired by a Visa member, as defined in our Certificate of Incorporation, or any person that is an operator, member or licensee of a general purpose payment card system that competes with us, or in each case any affiliate of such person, such shares will automatically be converted, at the inverse of the conversion rate applicable for shares of our class C common stock on the date of such conversion, into shares of our class C common stock. Such converted class A common stock will cease to be outstanding and will no longer be issuable by us.

However, such automatic conversion will not apply with respect to any shares of class A common stock acquired by a Visa member other than shares of class A common stock acquired by such Visa member for its own account as a principal investor or for the account of an affiliate of such Visa member that is acting as a principal investor. Without limiting the foregoing, such automatic conversion shall not apply to any shares of class A common stock acquired or held by a Visa member, a similar person or any of their respective affiliates in connection with its brokerage, market making, custody, investment management or similar operations or acquired by any investment fund managed by a Visa member, a similar person or any of their respective affiliates.

Preemptive Rights. In general, no holders of any shares of our common stock will be entitled to preemptive rights to subscribe for any shares of any class or series of our capital stock, except as may be provided in any resolution or resolutions providing for the issuance of a series of stock adopted by our board of directors or any agreement between us and our stockholders. We have no current plans to grant preemptive rights by a resolution of our board of directors or through any agreement with our stockholders.

Fractional Shares. We will not issue any fractional shares of any class of common stock upon conversion of any shares of any other class of common stock into shares of such class. In lieu of fractional shares, we will pay cash equal to such fractional amount multiplied by the fair market value, as determined by or in accordance with procedures established by our board of directors, in good faith and in its sole discretion, per share of the applicable class of common stock into which such shares are being converted, at the conversion date.

Dividend and Distribution Rights. Subject to any limitations contained in the Delaware General Corporation Law, or DGCL, our Certificate of Incorporation and any rights of the holders of any outstanding series of preferred stock or any class or series of stock having a preference over or the right to participate with the common stock with respect to the payment of dividends or distributions, dividends or distributions may be declared and paid on the common stock out of our assets that are by law available therefor at such times and in such amounts as our board may determine. Other than with respect to certain dividends or distributions of class A common stock, the holders of shares of class A common stock, class B common stock and class C common stock are entitled to share ratably (on an as-converted basis as described below in the case of the holders of the class B common stock or

class C common stock) in dividends or distributions paid on the common stock, and no dividend or distribution may be declared or paid on any class or series of common stock unless an equivalent dividend or distribution is contemporaneously declared and paid (on an as-converted basis as described below in the case of the holders of the class B common stock or class C common stock) on each other class and series of common stock. Dividends or distributions payable in shares of class A common stock may be paid on the class A common stock without also paying a corresponding dividend or distribution on each other class or series of common stock, subject to certain adjustments to the conversion rates applicable to the class B and class C common stock.

Liquidation Rights. Upon our voluntary or involuntary liquidation, dissolution or winding up, holders of our common stock are entitled to share ratably on an as-converted basis in the net assets available for distribution to stockholders after the payment of our debts and other liabilities, subject to the prior rights of any issued preferred shares. Neither the voluntary sale, conveyance, exchange or transfer for cash, shares of stock, securities or other consideration of all or substantially all of our property or assets nor our consolidation or merger with or into one or more other corporations will be deemed to be a liquidation, dissolution or winding-up, voluntary or involuntary, unless such voluntary sale, conveyance, exchange or transfer will be in connection with a dissolution or winding-up of our business.

Mergers, Consolidation, Etc. If we enter into any consolidation, merger, combination or other transaction in which shares of common stock are exchanged for, converted into, or otherwise changed into other stock or securities, or the right to receive cash or any other property, such shares of common stock will be exchanged for or changed into the same per-share amount of stock, securities, cash or any other property, as the case may be, into which or for which each share of any other class of common stock is exchanged or changed, on an as-converted basis.

Use of the Term "As-Converted". For purposes of the paragraphs entitled "—Dividend and Distribution Rights," "—Liquidation Rights" and "—Mergers, Consolidation, Etc.," as-converted means that each holder of class B common stock, or each holder of class C common stock, other than with respect to any dividend or distribution payable in shares of class A common stock, will be entitled to its ratable portion of: (x) any dividend or distribution in case of dividend rights; (y) any assets available for distribution in case of liquidation rights; or (z) any stock, securities, cash or other consideration in a consolidation, merger, combination or other transaction, as the case may be, in each case based upon the number of shares of class A common stock into which the shares of class B common stock or class C common stock, as applicable, beneficially owned by such holder would be converted, assuming the conversion of all outstanding shares of class B common stock and class C common stock into class A common stock, based on the applicable conversion rate then in effect, on the record date for such distribution or dividend, or immediately prior to such vote on such liquidation, dissolution or winding up, or the consummation of such consolidation, merger, combination or other transaction, as applicable.

Transfer Restrictions. Shares of our class B common stock are not transferable until the escrow termination date. The above described limitation on transfer is, however, subject to the following exceptions:

- any transfer by us to the initial holders of any class B common stock;

 - any transfer by us to any person or entity or by the holders thereof to us;

 - any transfer of any shares of class B common stock to any other holder of class B common stock or its affiliate;

 - any transfer of any shares of any class B common stock to an affiliate of such holder;
-

- any transfer of shares of common stock pursuant to the terms of the loss sharing agreement (as defined in our Certificate of Incorporation);
- any transfer of any shares of class B common stock by any person that is a group member (as defined in the bylaws of Visa International) of Visa International to any person that is a stockholder, member or other equity holder of such group member, provided that such transfer is made in accordance with applicable securities laws and is made to each transferee ratably in accordance with their respective entitlements to dividends or other distributions from such group member, in accordance with the applicable constituent documents of such group member;
- any transfer by a holder of class B common stock to any person that succeeds to all or substantially all of the assets of such holder, whether by merger, consolidation, amalgamation, sale of substantially all assets or other similar transactions;
- any transfer by a holder of class B common stock to any person that acquires from such holder all or substantially all of the Visa-branded payments products portfolio of such holder;
- any transfer of any shares of common stock by any non-equity member of Visa International in the principal category of membership to any non-equity member of Visa International with membership in Visa International that is sponsored by such principal non-equity member; and
- any transfer of any shares of common stock by any non-equity member of Visa International in the principal category of membership to any person that participates in the Visa payment system as an issuer and which person is sponsored by such non-equity member, by an associate member of Visa International sponsored by such non-equity member (if such non-equity member is a group member) or by a constituent member of such non-equity member.

Our board of directors may approve exceptions to the limitation on transfers of our class B common stock, provided that such exception applies to all holders of class B common stock equally on a ratable basis or, if such exception does not apply on an equal and ratable basis, such exception is also approved by at least a majority of our independent directors.

Our board of directors may, by resolution adopted by a majority of the board of directors, extend the three-year component of the transfer restriction periods with respect to any portion of the outstanding shares of our class B common stock for a period of not more than one year after the date on which such period would otherwise terminate provided that:

- contemporaneously with any such extension with respect to any portion of such shares of class B common stock, our board of directors has approved one or more reductions to the transfer restriction period with respect to another portion of such shares of class B common stock, such that at all times the weighted average period of the transfer restriction period with respect to all outstanding shares of class B common stock is not more than three years; and
-

- such extension is also approved by at least a majority of our independent directors.

Published CUSIP Numbers:
Deal CUSIP: 92827NAN7
Revolver Tranche A CUSIP: 92827NAP2
Revolver Tranche B CUSIP: 92827NAQ0

AMENDED AND RESTATED FIVE YEAR REVOLVING CREDIT AGREEMENT

DATED AS OF JULY 25, 2019

AMONG

**VISA INC., VISA INTERNATIONAL SERVICE ASSOCIATION,
VISA U.S.A. INC., AND VISA EUROPE LIMITED
AS BORROWERS,**

THE LENDERS,

AND

**BANK OF AMERICA, N.A.,
AS ADMINISTRATIVE AGENT**

**JPMORGAN CHASE BANK, N.A.,
AS SYNDICATION AGENT**

**BANK OF CHINA, LOS ANGELES BRANCH,
BARCLAYS BANK PLC,
CITIBANK, N.A.,**

**DEUTSCHE BANK SECURITIES INC.,
HSBC BANK USA, N.A.,
MUFG BANK, LTD.,**

**ROYAL BANK OF CANADA,
STANDARD CHARTERED BANK,**

**THE TORONTO-DOMINION BANK, NEW YORK BRANCH
U.S. BANK NATIONAL ASSOCIATION,**

AND

**WELLS FARGO BANK, NATIONAL ASSOCIATION,
AS DOCUMENTATION AGENTS**

**BOFA SECURITIES, INC.,
JPMORGAN CHASE BANK, N.A.,
BANK OF CHINA, LOS ANGELES BRANCH,
BARCLAYS BANK PLC,
CITIBANK, N.A.,**

**DEUTSCHE BANK SECURITIES INC.,
HSBC BANK USA, N.A.,
MUFG BANK, LTD.,**

**RBC CAPITAL MARKETS,
STANDARD CHARTERED BANK,**

**TD SECURITIES (USA) LLC,
U.S. BANK NATIONAL ASSOCIATION,**

AND

**WELLS FARGO SECURITIES, LLC,
AS JOINT LEAD ARRANGERS AND JOINT BOOK RUNNERS**

TABLE OF CONTENTS

Page

	<u>ARTICLE I -</u>
<u>DEFINITIONS</u>	1
<u>1.1 Definitions</u>	1
<u>1.2 Other Interpretive Provisions</u>	20
<u>1.3 Accounting Terms</u>	20
<u>1.4 Rounding</u>	21
<u>1.5 Exchange Rates; Currency Equivalents</u>	21
<u>1.6 Change of Currency</u>	21
<u>1.7 Interest Rates</u>	22
	<u>ARTICLE II - THE</u>
<u>CREDITS</u>	22
<u>2.1 Tranche A Commitments</u>	22
<u>2.2 Tranche B Commitments</u>	22
<u>2.3 Swing Loans</u>	22
<u>2.4 Determination of Dollar Amounts; Required Payments</u>	23
<u>2.5 Repayment of Loans</u>	24
<u>2.6 Ratable Loans; Types of Revolving Advances</u>	24
<u>2.7 Method of Selecting Types and Interest Periods for New Revolving Advances</u>	24
<u>2.8 Method of Selecting Types for Swing Loans</u>	24
<u>2.9 Conversion and Continuation of Outstanding Revolving Advances</u>	25
<u>2.10 Fees and Reductions in Commitments</u>	26
<u>2.11 Minimum Amount of Each Revolving Advance</u>	26
<u>2.12 Method of Borrowing</u>	27
<u>2.13 Interest Rates, etc.</u>	27
<u>2.14 Rates Applicable During an Event of Default</u>	28
<u>2.15 Method of Payment</u>	28
<u>2.16 Optional Principal Payments</u>	29
<u>2.17 Noteless Agreement; Evidence of Indebtedness</u>	30
<u>2.18 Telephonic Notices</u>	31
<u>2.19 Interest Payment Dates; Interest and Fee Basis</u>	31
<u>2.20 Notification of Revolving Advances, Interest Rates, Prepayments and Commitment Reductions</u>	32
<u>2.21 Lending Installations</u>	32
<u>2.22 Non-Receipt of Funds by the Administrative Agent</u>	32
<u>2.23 Participations in Swing Loans</u>	33
<u>2.24 Designated Borrowers</u>	34
<u>2.25 Judgment Currency</u>	35
<u>2.26 Increase in Commitments</u>	36
<u>2.27 Replacement of Lenders</u>	37
<u>2.28 Defaulting Lenders</u>	37
	<u>ARTICLE III -</u>
<u>YIELD PROTECTION; TAXES</u>	39
<u>3.1 Taxes</u>	39
<u>3.2 Illegality</u>	43
<u>3.3 Inability to Determine Rates; Reference Rate Replacement</u>	44

3.4Increased Costs	46
3.5Compensation for Losses	47
3.6Mitigation of Obligations; Replacement of Lenders	47
3.7Matters Applicable to all Requests for Compensation	48
3.8Survival	48

[ARTICLE IV -](#)

[CONDITIONS PRECEDENT](#)48

4.1Conditions to Closing Date	48
4.2Initial Loan to Each Designated Borrower	50
4.3Each Revolving Advance or Swing Loan	51

[ARTICLE V -](#)

[REPRESENTATIONS AND WARRANTIES](#)51

5.1Existence and Standing	51
5.2Authorization and Validity	51
5.3No Conflict; Government Consent	52
5.4Financial Statements	52
5.5Material Adverse Change	52
5.6Taxes	52
5.7Litigation	53
5.8Beneficial Ownership Certification	53
5.9Accuracy of Information	53
5.10Regulation U	53
5.11OFAC and Anti-Corruption Laws	53
5.12Compliance With Laws	53
5.13Ownership of Properties	53
5.14Plan Assets; Prohibited Transactions	53
5.15Environmental Matters	54
5.16Investment Company Act	54
5.17ERISA	54
5.18Financial Institution	54

[ARTICLE VI -](#)

[COVENANTS](#)54

6.1Financial Reporting	54
6.2Use of Proceeds	56
6.3Notice of Default	56
6.4Conduct of Business	56
6.5Taxes	56
6.6Insurance	56
6.7Compliance with Laws	57
6.8Maintenance of Properties	57
6.9Inspection	57
6.10Mergers, Etc.	57
6.11Liens	57
6.12Books and Records	58

[ARTICLE VII -](#)

[EVENTS OF DEFAULT](#)58

[ARTICLE VIII -](#)

[ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES](#)59

8.1Acceleration	59
8.2Amendments	60
8.3Preservation of Rights	61

[ARTICLE IX -](#)

[GENERAL PROVISIONS](#)61

9.1Survival of Representations	61
9.2Headings	61
9.3Entire Agreement	61
9.4Several Obligations; Benefits of this Agreement	62
9.5Expenses; Indemnification	62
9.6Non-reliance	64
9.7Severability of Provisions	64
9.8Nonliability of Lenders	64
9.9Confidentiality	64
9.10No Advisory or Fiduciary Responsibility	65
9.11Disclosure	66
9.12Restatement of Existing Agreement	66
9.13Acknowledgement and Consent to Bail-In of EEA Financial Institutions	66

[ARTICLE X - THE](#)

[ADMINISTRATIVE AGENT](#)67

10.1Appointment and Authority	67
10.2Rights as a Lender	67
10.3Exculpatory Provisions	67
10.4Reliance by Administrative Agent	68
10.5Delegation of Duties	68
10.6Resignation of Administrative Agent	69
10.7Non-Reliance on Administrative Agent and Other Lenders	70
10.8No Other Duties, Etc.	70
10.9Administrative Agent May File Proofs of Claim	70
10.10Certain ERISA Matters	71

[ARTICLE XI -](#)

[GUARANTEE](#)72

11.1Guarantee	72
11.2Acknowledgments, Waivers and Consents	72
11.3Reinstatement	74
11.4Subrogation	75
11.5Remedies	75
11.6Payments	75
11.7Solvency	75

[ARTICLE XII -](#)

[SETOFF; RATABLE PAYMENTS](#)75

12.1Setoff	75
12.2Ratable Payments	75

[ARTICLE XIII -](#)

[BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS](#)76

13.1Successors and Assigns	76
13.2Participations	76
13.3Assignments	77

[13.4Tax Treatment](#) 80

[ARTICLE XIV -](#)

[NOTICES](#)80

[14.1Notices](#) 80

[14.2Change of Address](#) 81

[14.3Reliance by Administrative Agent and Lenders](#) 82

[ARTICLE XV -](#)

[COUNTERPARTS](#)82

[ARTICLE XVI -](#)

[CHOICE OF LAW; CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL](#)82

[16.1CHOICE OF LAW](#) 82

[16.2CONSENT TO JURISDICTION](#) 82

[16.3WAIVER OF JURY TRIAL](#) 83

[16.4USA PATRIOT Act Notice](#) 83

SCHEDULES

Schedule 1	Commitment Schedule
Schedule 2	Pricing Schedule
Schedule 3	Certain Lending Installation and Notice Addresses
Schedule 5.7	Litigation

EXHIBITS

Exhibit A	Form of Assignment and Assumption Agreement
Exhibit B	Form of Designation Agreement
Exhibit C	Form of Note
Exhibit D	Form of Revolving Advance Borrowing Notice
Exhibit E	Form of Swing Loan Borrowing Notice
Exhibit F	Form of Conversion/Continuation Notice
Exhibit G-1	Form of U.S. Tax Compliance Certificate
Exhibit G-2	Form of U.S. Tax Compliance Certificate
Exhibit G-3	Form of U.S. Tax Compliance Certificate
Exhibit G-4	Form of U.S. Tax Compliance Certificate
Exhibit H	Form of Revolving Advance Prepayment Notice
Exhibit I	Form of Swing Loan Prepayment Notice

AMENDED AND RESTATED FIVE YEAR REVOLVING CREDIT AGREEMENT

THIS AMENDED AND RESTATED FIVE YEAR REVOLVING CREDIT AGREEMENT dated as of July 25, 2019 is among Visa Inc., a Delaware corporation (“*Visa Inc.*”), Visa International Service Association, a Delaware corporation (“*Visa International*”), Visa U.S.A. Inc., a Delaware corporation (“*Visa U.S.A.*”), Visa Europe Limited, a private company limited by shares incorporated under the laws of England and Wales (“*VEL*”), certain other Subsidiaries of Visa Inc. party hereto pursuant to Section 2.24 (each a “*Designated Borrower*” and, together with Visa Inc., Visa International, Visa U.S.A., and VEL, each a “*Borrower*” and collectively the “*Borrowers*”), each financial institution from time to time party hereto (collectively, the “*Lenders*” and individually, a “*Lender*”), and Bank of America, N.A., as Administrative Agent for the Lenders.

PRELIMINARY STATEMENT. Visa Inc., Visa International, Visa U.S.A., VEL, Visa Europe Services, Inc., various financial institutions and Bank of America, N.A., as administrative agent, are parties to the Five Year Revolving Credit Agreement originally dated as of January 27, 2016 and amended and restated as of January 27, 2017 (as heretofore further amended or otherwise modified, the “*Existing Agreement*”) and have agreed to amend and restate the Existing Agreement as herein set forth. Certain Lenders (the Tranche A Lenders, as defined below) are willing to provide Commitments (as defined below) to the Borrowers in the Agreed Currencies (as defined below), subject to limiting same-day availability to borrowings denominated in Dollars. Certain other Lenders (the Tranche B Lenders, as defined below) are willing to provide Commitments to the Borrowers in the Agreed Currencies, with borrowings in all Agreed Currencies available on same day notice. Each of the Lenders will be either a Tranche A Lender or a Tranche B Lender (but not both). The Swing Commitments (as defined below) are a subset of the Total Tranche B Commitments (as defined below). The Borrowers have requested that, upon the Closing Date (as hereinafter defined), the Lenders amend and restate in its entirety the Existing Agreement on the terms and conditions hereinafter set forth. The Lenders have indicated their willingness to so agree on the terms and conditions of this Agreement. Accordingly, the parties hereto agree as follows:

1 Visa: Amended and Restated

Five Year Revolving Credit Agreement

Article I - DEFINITIONS

1.1 Definitions. As used in this Agreement:

“Administrative Agent” means Bank of America, in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

“Affiliate” of any Person means any other Person whether existing on the date hereof or in the future directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of stock, by contract or otherwise.

“Agreed Currencies” means (a) Dollars, (b) so long as such currencies remain Eligible Currencies, Sterling and Euro and (c) any other Eligible Currency which any Borrower requests the Administrative Agent to include as an Agreed Currency hereunder and which is acceptable to all of the Tranche A Lenders or the Tranche B Lenders, as applicable.

“Agreement” means this amended and restated five year revolving credit agreement as it may be amended, supplemented or otherwise modified from time to time.

“Applicable Margin” means, with respect to Eurocurrency Rate Advances, Base Rate Advances, Same Day Dollar Advances, Tranche B Same Day Multi-Currency Advances and Swing Loans at any time, the percentage rate per annum which is applicable at such time as set forth in the Pricing Schedule attached hereto as Schedule 2.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means BofA Securities, Inc., JPMorgan Chase Bank, Bank of China, Los Angeles Branch, Barclays Bank PLC, Citibank, N.A., Deutsche Bank Securities Inc., HSBC Bank USA, N.A., MUFG Bank, Ltd., RBC Capital Markets, Standard Chartered Bank, TD Securities (USA) LLC, U.S. Bank National Association, and Wells Fargo Securities, LLC, in their capacities as joint lead arrangers and joint bookrunners.

“Article” means an article of this Agreement unless another document is specifically referenced.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 13.3.1(c)), and accepted by the Administrative Agent, in substantially the form of Exhibit A or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

“Authorized Officer” means each of the President, Chief Executive Officer, Chief Financial Officer or Treasurer of the applicable Borrower or, in the case of a Borrower incorporated under the laws of England and Wales, a director, or, except for purposes of Sections 6.1(a) and 6.1(b), any of their respective authorized designees identified from time to time in writing to the Administrative Agent and having the authorities set forth in such writing (with accompanying incumbency certification) by the President, Chief Executive Officer, Chief Financial Officer or Treasurer of the applicable Borrower. Unless the provisions of this Agreement or any other Loan Document specifically require that any action by any Borrower be undertaken or effected by two Authorized Officers on behalf of such Borrower, such action shall be permitted to be undertaken or effected by one Authorized Officer on behalf of such Borrower, *provided* that all Revolving

Advance Borrowing Notices and Swing Loan Borrowing Notices and all notices described in Section 2.12(c) shall in any case be required to be given by two Authorized Officers.

“Bail-In Action” is defined in Section 9.13.

“Bank of America” means Bank of America, N.A. and its successors.

“Base Rate” means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate” and (c) the Daily Floating One Month Rate plus 1.00%. The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.3(c) hereof, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

“Base Rate Advance” means a Revolving Advance which, except as otherwise provided in Section 2.14, bears interest at the Base Rate.

“Base Rate Loan” means a Loan which, except as otherwise provided in Section 2.14, bears interest at the Base Rate.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Borrower” and “Borrowers” have the meanings specified in the introductory paragraph hereto.

“Borrower Materials” is defined in Section 6.1.

“Borrowing Date” means a date on which a Revolving Advance or a Swing Loan is made hereunder.

“Business Day” means (a) with respect to any borrowing, payment or rate selection of (i) Eurocurrency Rate Advances, a day (other than a Saturday or Sunday) on which banks generally are open in New York and London (and, in the case of any borrowing, payment or rate selection of Eurocurrency Rate Advances denominated in Euro, Frankfurt) for the conduct of substantially all of their commercial lending activities, interbank wire transfers can be made on the Fedwire system and dealings in Dollars and other Agreed Currencies are carried on in the London interbank market (and, in the case of a Eurocurrency Rate Advance denominated in Euro, such day is a TARGET Day), (ii) Swing Loans denominated in Sterling, a day (other than a Saturday or Sunday) on which banks generally are open in London for the conduct of substantially all of their commercial lending activities and dealings in Sterling are carried on in the London interbank market, and (iii) Swing Loans denominated in Euro, a day (other than a Saturday or Sunday) that is a TARGET Day and a day on which banks generally are open in London for the conduct of substantially all of their commercial lending activities and dealings in Euro are carried on in the London interbank market, and (b) for all other purposes, a day (other than a Saturday or Sunday) on which banks generally are open in New York for the conduct of substantially all of their commercial lending activities and interbank wire transfers can be made on the Fedwire system.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Law, rule, regulation or treaty, (b) any change in any Law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“Change of Control” means an event or series of events by which (a) any person or “group” (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended) (i) shall acquire “beneficial ownership” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, as amended) of 35% or more of the outstanding capital stock having ordinary voting power in the election of directors of Visa Inc. or (ii) shall obtain the power (whether or not exercised) to elect a majority of Visa Inc.’s directors or (b) Visa Inc. ceases to own, directly or indirectly, 100% of the equity membership or other similar ownership interests of any other Borrower.

“Class” means (a) with respect to any Revolving Advance, its nature as a Tranche A Advance or a Tranche B Advance, (b) with respect to any Revolving Loan, its nature as a Tranche A Loan or a Tranche B Loan and (c) with respect to any Commitment, its nature as a Tranche A Commitment or a Tranche B Commitment.

“Closing Date” means July 25, 2019.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commitment” means a Tranche A Commitment, a Tranche B Commitment or a Swing Commitment, as applicable.

“Commitment Fee Rate” means, at any time, with respect to the commitment fees payable pursuant to Section 2.10.1, the percentage rate per annum which is applicable at such time as set forth in the Pricing Schedule attached hereto as Schedule 2.

“Compensation Rate” means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (b) with respect to any amount denominated in an Agreed Currency (other than Dollars), the Overnight Rate.

“Confidential Information” means any information with respect to any Borrower or any of its Subsidiaries (including Excluded Subsidiaries) or Affiliates furnished to the Administrative Agent or any Arranger or Lender pursuant to or in connection with any of the Loan Documents; provided that Confidential Information does not include information which (a) is or becomes generally available to the public, other than as a result of a disclosure or a failure to maintain confidentiality by the Administrative Agent or any Arranger or Lender, or any of their respective Related Parties, in breach of Section 9.9, (b) was known to the Administrative Agent or any Arranger or Lender to be on a non-confidential basis prior to its disclosure to such party by such Borrower or any of its Related Parties or (c) is disclosed to the Administrative Agent or any Arranger or Lender on a non-confidential basis by a Person, other than such Borrower or any of its Subsidiaries (including Excluded Subsidiaries), Affiliates or Related Parties, who is not known by the

Administrative Agent or any Arranger or Lender, after reasonable inquiry, to be bound by a confidentiality agreement with such Borrower or otherwise prohibited from transmitting such information to the Administrative Agent or any Arranger or Lender.

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Controlled Group” means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control which, together with any Borrower or any of its Subsidiaries, are treated as a single employer under Section 414 of the Code.

“Conversion/Continuation Notice” is defined in Section 2.9.

“Covered Litigation” means the “U.S. covered litigation” described under the caption “U.S. Retrospective Responsibility Plan” and certain existing and potential litigation relating to the setting of multilateral interchange fee rates in the Visa Europe territory described under the caption “Europe Retrospective Responsibility Plan”, in each case appearing in Note 2 to Visa Inc.’s Consolidated Financial Statements for the fiscal year ended September 30, 2018 included in the Form 10-K filed by Visa Inc. with the Securities and Exchange Commission on November 16, 2018 and in Note 4 to Visa Inc.’s Consolidated Financial Statements for the fiscal quarter ended March 31, 2019 included in the Form 10-Q filed by Visa Inc. with the Securities and Exchange Commission on April 26, 2019.

“Currency Reference Rate” means any of the Daily Floating One Month Rate, the Eurocurrency Rate or the Overnight Rate.

“Daily Floating One Month Rate” means for any day with respect to any Agreed Currency, the rate per annum equal to (a) in the case of a currency other than Euro, the LIBOR Rate or, in the case of Euro, the EURIBOR Rate, or a comparable rate or successor rate (which rate must be approved by the Administrative Agent), appearing on the applicable page of Bloomberg (or other commercially available source providing quotations of such rates as designated by the Administrative Agent from time to time) at approximately 11:00 a.m. (London time or, in the case of Euro, Frankfurt time), on such day for deposits in the relevant currency being delivered in the London or other applicable offshore interbank market for a term of one month commencing on such day, divided by (b) one minus the Eurocurrency Reserve Percentage. If a comparable or successor rate is approved by the Administrative Agent, as described above, the approved rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner reasonably determined by the Administrative Agent.

Notwithstanding the foregoing, the Daily Floating One Month Rate will be deemed to be 0.00% per annum if the Daily Floating One Month Rate calculated pursuant to the foregoing provisions would otherwise be less than 0.00%.

“Default” means an event which but for the lapse of time or the giving of notice, or both, would constitute an Event of Default.

“Defaulting Lender” means, subject to Section 2.28(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and Visa Inc. in writing that such failure is the result of such Lender’s good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified

in such writing) has not been satisfied or (ii) pay to the Administrative Agent, any Swing Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Swing Loans) within two Business Days of the date when due, (b) has notified any Borrower, the Administrative Agent or any Swing Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's good faith determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or any Borrower, to confirm in writing to the Administrative Agent and Visa Inc. that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this *clause (c)* upon receipt of such written confirmation by the Administrative Agent and Visa Inc.) or (d) has, or has a direct or indirect parent company that has, (i) become the subject of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of *clauses (a)* through *(d)* above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.28(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to Visa Inc., the Swing Lenders and each other Lender promptly following such determination.

"Designated Borrower" has the meaning specified in the introductory paragraph hereto.

"Designation Agreement" means, with respect to any Designated Borrower, an agreement in the form of Exhibit B hereto signed by such Designated Borrower and Visa Inc.

"Documentation Agents" means Bank of China, Los Angeles Branch, Barclays Bank PLC, Citibank, N.A., Deutsche Bank Securities Inc., HSBC Bank USA, N.A., MUFG Bank, Ltd., Royal Bank of Canada, Standard Chartered Bank, The Toronto-Dominion Bank, New York Branch, U.S. Bank National Association, and Wells Fargo Bank, National Association, in their capacities as documentation agents.

"Dollar Amount" of any currency at any date means (a) the amount of such currency if such currency is Dollars or (b) the Equivalent Amount.

"Dollars" and "U.S.\$" means the lawful currency of the United States of America.

"Eligible Affiliate or Approved Fund" means an Affiliate of a Lender or an Approved Fund that is regularly engaged in the business of making loans of the type evidenced by this Agreement and either (a) that has a rating of its senior unsecured long-term debt securities of A- or better by S&P or A3 or better by Moody's or (b) has been approved by the Administrative Agent, each Swing Lender and Visa Inc. (as may

be required under Section 13.3.1(c)) as an Eligible Affiliate or Approved Fund, which approval shall be promptly given by the applicable Person unless such Person reasonably believes that such Affiliate or Approved Fund does not have the assets or liquidity or access to the assets or liquidity to honor its Commitment to make Loans and its other obligations hereunder when required to do so.

“Eligible Assignee” means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund and (d) any other Person (other than a natural person or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural person) approved by (i) the Administrative Agent and, in respect of the Tranche B Commitments the Swing Lenders, and (ii) unless an Event of Default has occurred and is continuing, Visa Inc. (each such approval not to be unreasonably withheld or delayed); *provided* that notwithstanding the foregoing, “Eligible Assignee” shall not include (A) any Borrower or any Borrowers’ Affiliates or Subsidiaries or (B) any Defaulting Lender or any of its Subsidiaries or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this *clause (B)*; and *provided, further*, that an Eligible Assignee shall include only a Revolving Lender, an Affiliate of such a Lender or another Person, which, through its Lending Installations, is capable of lending the applicable Agreed Currencies to Visa Inc. without the imposition of any Taxes or Other Taxes, as the case may be.

“Eligible Currency” means, in respect of any Class, any currency other than Dollars (a) that is readily available, (b) that is freely traded, (c) in which deposits are customarily offered to banks in the London interbank market, (d) which is convertible into Dollars in the international interbank market and (e) as to which an Equivalent Amount may be readily calculated. If, after the designation by the applicable Revolving Lenders of any currency as an Agreed Currency, (x) currency control or other exchange regulations are imposed in the country in which such currency is issued with the result that different types of such currency are introduced, (y) such currency is, in the determination of the Administrative Agent, no longer readily available or freely traded or (z) in the determination of the Administrative Agent, an Equivalent Amount of such currency is not readily calculable, the Administrative Agent shall promptly notify the applicable Revolving Lenders and Visa Inc., and such currency shall no longer be an Agreed Currency until such time as all applicable Revolving Lenders agree to reinstate such currency as an Agreed Currency and promptly, but in any event within five Business Days of receipt of such notice from the Administrative Agent, the applicable Borrower shall repay all Loans in such affected currency or convert such Loans into Loans in Dollars or another Agreed Currency, subject to the other terms set forth in Article II.

“EMU Legislation” means the legislative measure of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

“Environmental Laws” means any and all federal, state, local and foreign statutes, Laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans, injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (a) the protection of the environment, (b) the effect of the environment on human health, (c) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land or (d) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

“Equivalent Amount” means, with respect to any amount denominated in any Agreed Currency (other than Dollars), the equivalent amount thereof in Dollars as determined by the Administrative Agent or an applicable Swing Lender, as the case may be, at such time on the basis of the Spot Rate (determined as of the most recent Revaluation Date) for the purchase of Dollars with such Agreed Currency.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any rule or regulation issued thereunder.

“ERISA Affiliate” means any Person that for purposes of Title IV of ERISA is a member of any Borrower’s Controlled Group.

“ERISA Event” means (a) with respect to a Plan, the occurrence of any reportable event set forth in Section 4043(c) of ERISA, other than an event for which the 30 day notice period has been waived; (b) any action pursuant to Section 4041 or 4041A of ERISA with respect to any Plan to terminate such plan; (c) a trustee shall be appointed by the appropriate United States District Court to administer any Plan; (d) the PBGC shall institute proceedings to terminate any Plan or to appoint a trustee to administer any such Plan; (e) any Borrower or any ERISA Affiliate shall have been notified that it has incurred Withdrawal Liability (as defined in Part I of Subtitle E of Title IV of ERISA); (f) the determination that any Plan is considered an “at-risk” plan or a plan in “endangered” or “critical” status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA or (g) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Borrower or any ERISA Affiliate.

“EURIBOR Rate” means the Euro Interbank Offered Rate as administered by the European Money Markets Institute (or any other Person which takes over administration of such rate).

“Euro” and the sign “€” mean the lawful currency of Participating Member States introduced in accordance with the EMU Legislation.

“Eurocurrency Base Rate” means for any Interest Period with respect to a Eurocurrency Rate Advance denominated in any Agreed Currency, the rate per annum equal to, in the case of a currency other than Euro, the LIBOR Rate or, in the case of Euro, the EURIBOR Rate, or a comparable rate or successor rate (which rate must be approved by the Administrative Agent), appearing on the applicable page of Bloomberg (or other commercially available source providing quotations of such rates as designated by the Administrative Agent from time to time) at approximately 11:00 a.m. (London time or, in the case of Euro, Frankfurt time), two Business Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If a comparable or successor rate is approved by the Administrative Agent, as described above, the approved rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner reasonably determined by the Administrative Agent.

Notwithstanding the foregoing, the Eurocurrency Base Rate will be deemed to be 0.00% per annum if the Eurocurrency Base Rate calculated pursuant to the foregoing provisions would otherwise be less than 0.00%.

“Eurocurrency Rate” means, with respect to a Eurocurrency Rate Advance for the relevant Interest Period a rate per annum determined by the Administrative Agent pursuant to the following formula:

$$\text{Eurocurrency Rate} = \frac{\text{Eurocurrency Base Rate}}{1.00 - \text{Eurocurrency Reserve Percentage}}$$

“Eurocurrency Rate Advance” means a Revolving Advance which, except as otherwise provided in Section 2.14, bears interest at the applicable Eurocurrency Rate.

“Eurocurrency Rate Loan” means a Revolving Loan, which, except as otherwise provided in Section 2.14, bears interest at the applicable Eurocurrency Rate.

“Eurocurrency Reserve Percentage” means, for any day, the reserve percentage (expressed as a decimal, carried out to five decimal places) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the FRB for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as “Eurocurrency liabilities”). The applicable Currency Reference Rate for each outstanding Loan shall be adjusted automatically as of the effective date of any change in the Eurocurrency Reserve Percentage.

“Event of Default” means an event described in Article VII.

“Excluded Subsidiary” means a subsidiary of Visa Inc. designated as an Excluded Subsidiary in a written notice from Visa Inc. to the Administrative Agent; provided that (a) no such designation may be made if a Default or Event of Default exists or would exist immediately before and after giving effect to such designation, (b) no Excluded Subsidiary may be a Material Subsidiary and (c) Excluded Subsidiaries, in the aggregate (as if considered a single entity), may not be a Material Subsidiary (except that for this purpose, the “10 percent” appearing in the definition of “significant subsidiary” in Regulation S-X under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, shall be deemed to read “20 percent”). For the avoidance of doubt, as of the Closing Date, CMP, S.A. and Platco, S.A. shall be deemed to be Excluded Subsidiaries.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the Laws of, or having its principal office or, in the case of any Lender, its Lending Installation located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a Law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by any Borrower under Section 2.27) or (ii) such Lender changes its Lending Installation, except in each case to the extent that, pursuant to Section 3.1(a)(ii) or (c), amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Installation, (c) Taxes attributable to such Recipient’s failure to comply with Section 3.1(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Exhibit” refers to an exhibit to this Agreement, unless another document is specifically referenced.

“Existing Agreement” has the meaning specified in the Preliminary Statement hereto.

“FASB ASC” means the Accounting Standards Codification of the Financial Accounting Standards Board.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version of such Sections that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement entered into in connection with any of the foregoing and any fiscal or regulatory legislation, rules or practices adopted pursuant to any such intergovernmental agreement.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent.

Notwithstanding the foregoing, the Federal Funds Rate will be deemed to be 0.00% per annum if the Federal Funds Rate calculated pursuant to the foregoing provisions would otherwise be less than 0.00%.

“Fedwire” means the funds transfer system used to transfer reserve balances for immediately available credit among the member banks of the United States Federal Reserve System.

“Fee Letters” means (a) the fee letter dated as of June 24, 2019, among Visa Inc., JPMorgan Chase Bank, Bank of America, and BofA Securities, Inc. and (b) the administrative agency fee letter dated as of June 24, 2019, between Visa Inc. and Bank of America.

“Finance Lease” of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with GAAP.

“Finance Lease Obligations” of a Person means the amount of the obligations of such Person under Finance Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with GAAP.

“FRB” means the Board of Governors of the Federal Reserve System of the United States and any Governmental Authority succeeding to its principal functions.

“Fronting Exposure” means, at any time there is a Defaulting Lender with respect to any Swing Lender, such Defaulting Lender’s unfunded participation obligations with respect to Swing Loans made by such Swing Lender, other than Swing Loans as to which such Defaulting Lender’s unfunded participation obligations have been reallocated to other Lenders in accordance with the terms hereof.

“Fund” means any Person (other than a natural person) that is (or will be) regularly engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“GAAP” means generally accepted accounting principles in the United States in effect from time to time.

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Guarantee” means the guarantee of Visa Inc. to the Administrative Agent and the Lenders contained in Article XI.

“Guaranteed Obligations” means the Obligations owing by Visa International, Visa U.S.A., VEL and each Designated Borrower.

“Indebtedness” of a Person means, without duplication, such Person’s (a) obligations for borrowed money, (b) obligations representing the deferred purchase price of Property or services (other than accounts payable arising in the ordinary course of such Person’s business payable on terms customary in the trade), (c) obligations, whether or not assumed, secured by Liens or payable out of the proceeds or production from Property now or hereafter owned or acquired by such Person, (d) obligations which are evidenced by notes, acceptances or other instruments, (e) obligations under interest rate or other swap or derivative transactions (the amount of which shall be equal to the mark-to-market value thereof prior to the termination thereof or equal to the termination value thereof after the termination thereof, in each case after giving effect to any legally enforceable netting agreements), (f) obligations to reimburse the issuer of a standby letter of credit with respect to amounts which have been drawn under such letter of credit and paid by such issuer but not yet reimbursed, (g) Finance Lease Obligations and (h) guarantees with respect to outstanding Indebtedness of another Person of the types described in *clauses (a) through (g)* preceding; provided that, (i) Indebtedness shall not include obligations or liabilities owing by Visa Inc. or any of its Subsidiaries to members in connection with collateral deposits taken by Visa Inc. or any of its Subsidiaries from such members, (ii) Indebtedness shall not include (x) obligations or liabilities owing by Visa Inc. or any of its Subsidiaries to Visa Inc. or any of its Subsidiaries or (y) guarantees by Visa Inc. or any of its Subsidiaries of any obligations or liabilities owing by Visa Inc. or any of its Subsidiaries to Visa Inc. or any of its Subsidiaries and (iii) Indebtedness shall (A) include amounts due pursuant to settlements of litigation and amounts due under any final, nonappealable judgments or orders, except in each case to the extent that such amounts are attributable to the Covered Litigation or to amounts accrued prior to the date of this Agreement, and (B) not include amounts due to customers pursuant to settlements in the ordinary course of business (other than settlements included in Indebtedness pursuant to *clause (A)* above).

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Borrower under any Loan Document and (b) to the extent not otherwise described in *clause (a)*, Other Taxes.

“Interest Period” means, (x) with respect to a Eurocurrency Rate Advance denominated in any Agreed Currency (other than Euro), a period of one, two, three or six months and (y) with respect to a Eurocurrency Rate Advance denominated in Euro, a period of one, three or six months, provided that such Interest Periods shall be available only if quotations for such Interest Periods are at the time available as provided herein) commencing on a Business Day selected by the applicable Borrower pursuant to this Agreement. Such Interest Period shall end on the day which corresponds numerically to such date one, two, three or six months thereafter, as applicable; *provided* that if there is no such numerically corresponding day in such next, second, third or sixth succeeding month, as applicable, such Interest Period shall end on the last Business Day of such next, second, third or sixth succeeding month, as applicable. If an Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the next succeeding Business Day; *provided* that if said next succeeding Business Day falls in a new calendar month, such Interest Period shall end on the immediately preceding Business Day. Notwithstanding the foregoing, no Borrower may select any Interest Period for a Revolving Loan that extends beyond the scheduled Termination Date.

“JPMorgan Chase Bank” means JPMorgan Chase Bank, N.A. and its successors.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities (including, without limitation, all laws, rules, and regulations concerning or relating to U.S. sanctions

administered by OFAC or relating to anti-bribery or anti-corruption), including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lenders” means the Revolving Lenders and the Swing Lenders and their respective successors and assigns.

“Lending Installation” means (a) with respect to the Administrative Agent, for each of the Agreed Currencies, the address, office, branch, affiliate or correspondent bank of the Administrative Agent specified for such currency on Schedule 3 hereto or such other office, branch, affiliate or correspondent bank of the Administrative Agent as it may from time to time specify to Visa Inc. and each applicable Revolving Lender for such Agreed Currency, (b) with respect to a Revolving Lender, the office, branch, subsidiary or affiliate of such Revolving Lender with respect to each Agreed Currency listed on the administrative questionnaire provided to the Administrative Agent in connection herewith or otherwise selected by such Revolving Lender pursuant to Section 2.21 and (c) with respect to each Swing Lender, the office, branch, subsidiary or affiliate of such Swing Lender listed on Schedule 3, in the case of each Swing Lender on the date hereof, or notified to the Administrative Agent and the Borrowers, in the case of each Swing Lender that assumes such role after the date hereof, or in either case, as otherwise selected by such Swing Lender pursuant to Section 2.21.

“LIBOR Rate” means the London Interbank Offered Rate as administered by the ICE Benchmark Administration (or any other Person that takes over the administration of such rate).

“Lien” means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, encumbrance or other security agreement or preferential arrangement in the nature of a security interest (including, without limitation, the interest of a vendor or lessor under any conditional sale, Finance Lease or other title retention agreement).

“Loan Documents” means this Agreement, each Designation Agreement, each Note and the Fee Letters.

“Loans” means Revolving Loans and Swing Loans; and “Loan” means any of the foregoing.

“London Sub-Agent” means Bank of America, N.A., London Branch.

“Material Adverse Effect” means a material adverse effect on (a) the business, Property, financial condition or results of operations of Visa Inc. and its Subsidiaries taken as a whole, (b) the ability of Visa Inc. to perform its obligations under the Loan Documents or (c) the validity or enforceability of any material provision of any Loan Document or the rights or remedies of the Administrative Agent or the Lenders hereunder or thereunder, taken as a whole, in each case in a manner materially prejudicial to the interests of the Administrative Agent or the Lenders hereunder or thereunder.

“Material Subsidiary” means a “significant subsidiary”, as defined in Regulation S-X under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended.

“Maturity Date” means, with respect to any Swing Loan, the earlier of (a) the fourth Business Day after the making of such Loan and (b) the Termination Date.

“Minimum Borrowing” means in respect of Revolving Loans comprising the same Revolving Advance or to be converted or continued under Section 2.9, (a) in the case of amounts denominated in Dollars, U.S.\$5,000,000 or a higher integral multiple of U.S.\$1,000,000, (b) in the case of amounts denominated in Sterling, £5,000,000 or a higher integral multiple of £1,000,000, (c) in the case of amounts denominated in Euro, €5,000,000 or a higher integral multiple of €1,000,000 or (d) in the case of amounts denominated in any other Agreed Currency, 5,000,000 units or a higher integral multiple of 1,000,000 units of the applicable Agreed Currency.

“Moody’s” means Moody’s Investors Service, Inc. or any successor thereto.

“Moody’s Rating” has the meaning set forth in the Pricing Schedule.

“National Currency Unit” means the unit of currency (other than a Euro unit) of each member state of the European Union that participates in the third stage of the Economic and Monetary Union.

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 8.2 and (b) has been approved by the Required Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-U.S. Lender” means a Lender that is not a U.S. Person.

“Note” is defined in Section 2.17(d).

“Obligations” means all unpaid principal of and accrued and unpaid interest on the Loans, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of any Borrower to the Lenders or to any Lender, the Administrative Agent or any indemnified party arising under the Loan Documents. Without limiting the liability of Visa Inc., under the Guarantee, the liability of each Borrower in respect of its Obligations shall be several and not joint or joint and several.

“OFAC” means the Office of Foreign Assets Control of the U.S. Treasury Department.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.6).

“Overnight Rate” means for any day with respect to any Agreed Currency other than Dollars, the rate per annum equal to (a) the LIBOR Rate, or a comparable rate or successor rate (which rate must be approved by the Administrative Agent), appearing on the applicable page of Bloomberg (or other commercially available source providing quotations of such rate as designated by the Administrative Agent

from time to time) at approximately 11:00 a.m. (London time), on such day (or if such day is not a Business Day, the immediately preceding Business Day) for overnight deposits in the relevant currency being delivered in the London or other applicable offshore interbank market on such day (or if such day is not a Business Day, the immediately preceding Business Day), divided by (b) one minus the Eurocurrency Reserve Percentage. If a comparable or successor rate is approved by the Administrative Agent, as described above, the approved rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner reasonably determined by the Administrative Agent.

Notwithstanding the foregoing, the Overnight Rate will be deemed to be 0.00% per annum if the Overnight Rate calculated pursuant to the foregoing provisions would otherwise be less than 0.00%.

“Participant” is defined in Section 13.2.1.

“Participant Register” is defined in Section 13.2.1.

“Participating Member State” means each state so described in any EMU Legislation.

“Payment Date” means the last day of each March, June, September and December.

“PBGC” means the Pension Benefit Guaranty Corporation or any successor thereto.

“Pension Funding Rules” means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Plans and set forth in Sections 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

“Person” means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust or other entity or organization or any government or political subdivision or any agency, department or instrumentality thereof.

“Plan” means an employee pension benefit plan (as such term is defined in Section 3(2) of ERISA) which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which any Borrower or any member of the Controlled Group may have any liability.

“Pricing Schedule” means Schedule 2 attached hereto.

“Pro Rata Share” means:

(a) with respect to an amount of credit to be extended or purchased or an amount to be otherwise paid by any Revolving Lender hereunder, a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of the Tranche A Commitment or Tranche B Commitment, as applicable, of such Revolving Lender at such time and the denominator of which is the amount of the Total Tranche A Commitment or Total Tranche B Commitment, as applicable, at such time; and

(b) with respect to an amount to be paid to or for the account of any Revolving Lender having outstanding Revolving Advances in any Class, a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of the Total Outstandings owed (including by way of funded participation, if applicable) to such Revolving Lender at such time and the denominator of which is the amount of the Total Outstandings owed (including by

way of funded participation) to all Revolving Lenders having outstanding Revolving Advances in such Class at such time.

“Property” of a Person means any and all property, whether real, personal, tangible intangible or mixed, of such Person, or other assets owned, leased or operated by such Person.

“Protesting Lender” is defined in Section 2.24(a)(ii).

“Public Lender” is defined in Section 6.1.

“Recipient” means the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Borrower hereunder.

“Reference Rate” means (a) LIBOR Rate or (b) EURIBOR Rate, as applicable.

“Regulation U” means Regulation U of the FRB as from time to time in effect and any successor or other regulation or official interpretation of said FRB relating to the extension of credit by banks for the purpose of purchasing or carrying margin stocks applicable to member banks of the Federal Reserve System.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“Required Lenders” means, at any time, the Revolving Lenders holding more than 51% of the sum of (a) the unused Total Commitment and (b) the Total Outstandings (whether directly or by way of funded participations) at such time; *provided* that, for purposes of determining Required Lenders at any time, the unused Commitment held by, and the Total Outstandings (whether directly or by way of funded participations) owing to, any Defaulting Lender shall be disregarded and the amount of any participation in any Swing Loan that a Defaulting Lender has failed to fund and that has not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that made such Swing Loan.

“Revaluation Date” is defined in Section 2.4.

“Revolving Advance Borrowing Notice” is defined in Section 2.7.

“Revolving Advances” mean, collectively, the Tranche A Advances and the Tranche B Advances.

“Revolving Commitments” mean, collectively, the Tranche A Commitments and the Tranche B Commitments.

“Revolving Lender” means each Tranche A Lender and each Tranche B Lender and their respective successors and assigns.

“Revolving Loan” means, with respect to a Revolving Lender, any Loan made by such Revolving Lender pursuant to Article II (or any conversion or continuation thereof).

“S&P” means S&P Global Ratings or any successor thereto.

“S&P Rating” has the meaning set forth in the Pricing Schedule.

“Same Day Dollar Advance” means a Revolving Advance denominated in Dollars and made on the date of a Revolving Advance Borrowing Notice and which, except as provided in Sections 2.14, bears interest at the Same Day Rate.

“Same Day Dollar Loan” means a Loan denominated in Dollars and made on the date of a Revolving Advance Borrowing Notice and which, except as provided in Sections 2.14, bears interest at the Same Day Rate.

“Same Day Funds” means (a) with respect to disbursements and payments in Dollars, immediately available funds and (b) with respect to disbursements and payments in an Agreed Currency (other than Dollars), same day or other funds as may be determined by the Administrative Agent or an applicable Swing Lender to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Agreed Currency.

“Same Day Rate” means, for any day (a) with respect to each Same Day Dollar Advance, the rate per annum equal to the greater of (i) the Federal Funds Rate and (ii) the Daily Floating One Month Rate and (b) with respect to each Tranche B Same Day Multi-Currency Advance and each Swing Loan, the rate per annum equal to the greater of (i) the Overnight Rate and (ii) the Daily Floating One Month Rate.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing *clauses (a) or (b)*.

“Sanctions” is defined in Section 5.11.

“Schedule” refers to a specific schedule to this Agreement, unless another document is specifically referenced.

“Section” means a numbered section of this Agreement, unless another document is specifically referenced.

“Solvent” means, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person’s property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Spot Rate” for Dollars means the rate determined by the Administrative Agent or an applicable Swing Lender to be the spot rate for the purchase by the Administrative Agent or such Swing Lender of

such Dollars with another Agreed Currency through its principal foreign exchange trading office at approximately 11:00 a.m. (New York time) on the date two Business Days prior to the date as of which the foreign exchange computation is made; *provided* that the Administrative Agent or such Swing Lender may obtain such spot rate from another financial institution if the Administrative Agent or such Swing Lender does not have as of the date of determination a spot buying rate for Dollars.

“Sterling” and the sign “£” mean the lawful currency of the United Kingdom of Great Britain.

“Subsidiary” of a Person means (a) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries or (b) any partnership, limited liability company, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled; *provided* that an Excluded Subsidiary shall not be deemed to be a Subsidiary for purposes of this Agreement and the other Loan Documents, in each case, whether existing on the date hereof or in the future. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of Visa Inc.

“Swing Commitment” means the amount set forth on Schedule 1, as such amount may be modified from time to time pursuant to the terms hereof. The Swing Commitment is a subset of the Total Tranche B Commitment and does not increase the total amount available to be borrowed hereunder.

“Swing Lender” means each lending institution listed on Schedule 1 as a Swing Lender and its successors and assigns or such other Lender which may agree to assume the rights and obligations as a Swing Lender pursuant to the terms of this Agreement and notify Visa Inc. and the Administrative Agent of the amount of its Swing Commitment. Each Swing Lender may, in its discretion, arrange for one or more Swing Loans to be made by Affiliates of such Swing Lender, in which case the term “Swing Lender” shall include any such Affiliates with respect to Swing Loans made by such Affiliate.

“Swing Loan” means a Loan made by any Swing Lender denominated in Euro or Sterling (or in the case of The Toronto-Dominion Bank, New York Branch, denominated in Sterling) to any Borrower pursuant to Article II.

“Swing Loan Borrowing Notice” is defined in Section 2.8.

“Swing Participation Funding Notice” means a written notice from a Swing Lender directing the Administrative Agent to notify all Tranche B Lenders to fund their participations in such Swing Lender’s Swing Loans as provided in Section 2.23.

“Syndication Agent” means JPMorgan Chase Bank in its capacity as syndication agent.

“TARGET Day” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or, if such payment system ceases to be operative, such other payment system (if any) determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Termination Date” means fifth anniversary of the date of this Agreement, or, if such day is not a Business Day, the next preceding Business Day or any earlier date on which the Total Commitment is reduced to zero or otherwise terminated pursuant to the terms hereof.

“Total Commitment” means the aggregate amount of the Revolving Commitments of all Revolving Lenders, as increased or reduced from time to time pursuant to the terms hereof. The initial Total Commitment is U.S.\$5,000,000,000.

“Total Exposure” means at any time with respect to any Lender, the aggregate principal Dollar Amount of all outstanding Loans plus (without duplication) such Lender’s participations (whether or not funded) in Swing Loans.

“Total Outstandings” means at any time the aggregate principal Dollar Amount of all outstanding Loans.

“Total Tranche A Commitment” means the aggregate amount of the Tranche A Commitments of all Tranche A Lenders, as increased or reduced from time to time pursuant to the terms hereof.

“Total Tranche A Outstandings” means at any time the aggregate principal Dollar Amount of all outstanding Tranche A Loans.

“Total Tranche B Commitment” means the aggregate amount of the Tranche B Commitments of all Tranche B Lenders, as increased or reduced from time to time pursuant to the terms hereof.

“Total Tranche B Outstandings” means at any time the aggregate principal Dollar Amount of all outstanding Tranche B Loans.

“Tranche A Advance” means a borrowing hereunder (a) made available by the Tranche A Lenders on the same Borrowing Date or (b) converted or continued by the Tranche A Lenders on the same date of conversion or continuation, consisting, in either case, of the aggregate amount of the several Tranche A Loans of the same Type and, in the case of Eurocurrency Rate Loans, in the same Agreed Currency and for the same Interest Period.

“Tranche A Commitment” means, with respect to any Tranche A Lender at any time, the obligation of such Tranche A Lender to make Tranche A Loans not exceeding the amount set forth on Schedule 1 or as set forth in any Assignment and Assumption relating to any assignment that has become effective pursuant to Section 13.3.1, as such amount may be modified from time to time pursuant to the terms hereof.

“Tranche A Lender” means each lending institution listed on Schedule 1 as a Tranche A Lender or added as a Tranche A Lender pursuant to Section 2.26 and its successors and assigns, in each case other than any such lending institution that has ceased to be a Tranche A Lender hereunder pursuant to Section 2.27 or an Assignment and Assumption.

“Tranche A Loan” means, with respect to a Tranche A Lender, any loan made by such Tranche A Lender pursuant to Article II (or any conversion or continuation thereof).

“Tranche B Advance” means a borrowing hereunder (a) made available by the Tranche B Lenders on the same Borrowing Date or (b) converted or continued by the Tranche B Lenders on the same date of conversion or continuation, consisting, in either case, of the aggregate amount of the several Tranche B Loans of the same Type and, in the case of Eurocurrency Rate Loans, in the same Agreed Currency and for the same Interest Period.

“Tranche B Commitment” means, with respect to any Tranche B Lender at any time, the obligation of such Tranche B Lender to make Tranche B Loans and participate in Swing Loans not exceeding the amount set forth on Schedule 1 or as set forth in any Assignment and Assumption relating to any assignment that has become effective pursuant to Section 13.3.1, as such amount may be modified from time to time pursuant to the terms hereof.

“Tranche B Lenders” means each lending institution listed on Schedule 1 as a Tranche B Lender (other than, in their respective capacities as such, each Swing Lender) or added as a Tranche B Lender pursuant to Section 2.26, and its respective successors and assigns, in each case other than any such lending institution that has ceased to be a Tranche B Lender hereunder pursuant to Section 2.27 or an Assignment and Assumption.

“Tranche B Loan” means, with respect to a Tranche B Lender, any Loan made by such Tranche B Lender pursuant to Article II (or any conversion or continuation thereof).

“Tranche B Same Day Multi-Currency Advance” means a Tranche B Advance denominated in an Agreed Currency (other than Dollars) and made on the date of a Revolving Advance Borrowing Notice and which, except as provided in Sections 2.14, bears interest at the Same Day Rate.

“Tranche B Same Day Multi-Currency Loan” means a Tranche B Loan denominated in an Agreed Currency (other than Dollars) and made on the date of a Revolving Advance Borrowing Notice and which, except as provided in Sections 2.14, bears interest at the Same Day Rate.

“Type” means, with respect to any Revolving Advance, its nature as a Base Rate Advance, a Same Day Dollar Advance, a Eurocurrency Rate Advance or, in the case of Tranche B Advance, a Tranche B Same Day Multi-Currency Advance.

“Unfunded Liabilities” means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans using actuarial assumptions selected by the applicable Borrower for financial statement reporting purposes.

“U.S. Person” means (i) any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code and (ii) any Person that for U.S. federal income tax purposes is treated as a “disregarded entity” that is wholly owned by a Person described in clause (i).

“U.S. Tax Compliance Certificate” has the meaning specified in Section 3.1(e)(ii)(B)(III).

“VEL” means Visa Europe Limited, a private company limited by shares incorporated under the laws of England and Wales, and its permitted successors and assigns.

“Visa Inc.” means Visa Inc., a Delaware corporation, and its permitted successors and assigns.

“Visa International” means Visa International Service Association, a Delaware corporation, and its permitted successors and assigns.

“Visa U.S.A.” means Visa U.S.A. Inc., a Delaware corporation, and its permitted successors and assigns.

1.2 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including articles of incorporation and bylaws) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such Law and any reference to any Law or regulation shall, unless otherwise specified, refer to such Law or regulation as amended, modified or supplemented from time to time and (vi) any reference to a fiscal period shall be a reference to a fiscal period of Visa Inc.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including;” the words “to” and “until” each mean “to but excluding;” and the word “through” means “to and including.”

(c) Any reference herein to a merger, transfer, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

1.3 Accounting Terms.

1.3.1 Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant contained herein, (A) Indebtedness of Visa Inc. and

its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded and (B) any effect resulting from any change to GAAP occurring after the date hereof as a result of the adoption of any proposals set forth in the Proposed Accounting Standards Update, Leases (Topic 840) issued by the Financial Accounting Standards Board on August 17, 2010, any proposals set forth in the Accounting Standards Update, Leases (Topic 842) issued by the Financial Accounting Standards Board on February 25, 2016 or any other proposals issued by the Financial Accounting Standards Board in connection therewith, shall be disregarded in each case if such change would require treating any lease (or similar arrangement conveying the right to use) as a

capital lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 15, 2018.

1.3.2 Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either Visa Inc. or the Required Lenders shall so request, the Administrative Agent, the Lenders and Visa Inc. shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); *provided* that, until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) the applicable Borrower shall provide to the Administrative Agent (for distribution to the Lenders) financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.4 Rounding. Any financial ratios required to be maintained by any Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.5 Exchange Rates; Currency Equivalents. The Administrative Agent or a Swing Lender, as applicable, shall determine the Spot Rates as of each Revaluation Date to be used for calculating Equivalent Amounts of Loans and Total Outstandings denominated in Agreed Currencies (other than Dollars). Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by any Borrower hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Equivalent Amount as so determined by the Administrative Agent or such Swing Lender, as applicable.

1.6 Change of Currency. (a) Each obligation of any Borrower to make a payment denominated in the National Currency Unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption (in accordance with the EMU Legislation). If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; *provided* that if any Revolving Advance in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Revolving Advance, at the end of the then current Interest Period.

(a) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect a change in currency of any country and any relevant market conventions or practices relating to the change in currency.

1.7 Interest Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Eurocurrency Rate" or with respect to any comparable or successor rate thereto, other than in the case of its own gross negligence, bad faith or willful misconduct

with respect to such administration, submission or such other matter related to the rates in the definition of “Eurocurrency Rate” or with respect to any comparable or successor rate thereto.

ARTICLE II - THE CREDITS

2.1 Tranche A Commitments. From and including the Closing Date and prior to the Termination Date, each Tranche A Lender severally agrees, on the terms and conditions set forth in this Agreement, to make Tranche A Loans in Agreed Currencies to any Borrower from time to time in a principal amount not to exceed in the aggregate at any one time outstanding for all of the Borrowers the Dollar Amount of its Tranche A Commitment; *provided that* (a) all Tranche A Loans that are Base Rate Loans or Same Day Dollar Loans shall be made in Dollars, (b) the Dollar Amount of the outstanding principal of Tranche A Loans shall not at any time exceed the Total Tranche A Commitment and (c) the aggregate Dollar Amount of the outstanding principal of all outstanding Tranche A Loans of any Tranche A Lender shall not exceed such Tranche A Lender’s Tranche A Commitment. Subject to the terms of this Agreement, any Borrower may borrow, repay and reborrow Tranche A Loans at any time prior to the Termination Date. The Tranche A Commitments shall expire on the Termination Date.

2.2 Tranche B Commitments. From and including the Closing Date and prior to the Termination Date, each Tranche B Lender severally agrees, on the terms and conditions set forth in this Agreement, to make Tranche B Loans to any Borrower in Agreed Currencies from time to time in a principal amount not to exceed in the aggregate at any one time outstanding for all of the Borrowers the Dollar Amount of its Tranche B Commitment; *provided that* (a) all Tranche B Loans that are Base Rate Loans or Same Day Dollar Loans shall be made in Dollars, (b) the Dollar Amount of the outstanding principal of Tranche B Loans and Swing Loans shall not at any time exceed the Total Tranche B Commitment and (c) the Total Exposure of such Tranche B Lender shall not exceed the Dollar Amount of such Tranche B Lender’s Tranche B Commitment. Subject to the terms of this Agreement, any Borrower may borrow, repay and reborrow Tranche B Loans at any time prior to the Termination Date. The Tranche B Commitments shall expire on the Termination Date.

2.3 Swing Loans.

2.3.1 Swing Loans. From and including the Closing Date, and prior to the Termination Date, each Swing Lender severally agrees, on the terms and conditions set forth in this Agreement and in reliance upon the agreement of the other Tranche B Lenders set forth in Section 2.23, to make Swing Loans to any Borrower in Sterling or Euro from time to time on any Business Day in a principal amount not to exceed in the aggregate at any one time outstanding for all of the Borrowers the Dollar Amount of its Swing Commitment; *provided that*, in its sole discretion, and subject to prior confirmation with the Administrative Agent that sufficient availability under the Tranche B Commitments exists, any Swing Lender may make Swing Loans in an amount in excess of its Swing Commitment; *provided further* that during any period of ten consecutive Business Days, there must be at least one day on which there are no Swing Loans outstanding. Subject to the terms of this Agreement, any Borrower may borrow, repay and reborrow Swing Loans at any time prior to the Termination Date. The Swing Commitments shall expire on the Termination Date; *provided, further*, that Swing Loans made by The Toronto-Dominion Bank, New York Branch shall be denominated in Sterling only.

2.3.2 Limitations on Swing Loans. Subject to the first proviso in Section 2.3.1, (a) the Dollar Amount of the outstanding principal of the Swing Loans made by any Swing Lender shall not at any time exceed its Swing Commitment and (b) the aggregate Dollar Amount of (x) the outstanding principal of all Swing Loans made by any Swing Lender, (y) the outstanding principal

of all Tranche B Loans made by such Swing Lender and (z) such Swing Lender's participation in outstanding Swing Loans made by any other Swing Lender shall not at any time exceed the Tranche B Commitment of the Swing Lender requested to make a Swing Loan.

2.3.3 Restrictions on Outstanding Loans. Notwithstanding anything contained in this Agreement that may be to the contrary, no Swing Loan may be outstanding immediately after the borrowing of a Tranche B Loan in the same currency as such Swing Loan and the application of the proceeds thereof.

2.4 Determination of Dollar Amounts; Required Payments. (a) The Administrative Agent will determine the Dollar Amount of:

(i) each Eurocurrency Rate Advance (x) as of the date two Business Days prior to the Borrowing Date or, if applicable, date of conversion/continuation of such Eurocurrency Rate Advance, (y) on and as of the last Business Day of each calendar quarter and on any other Business Day elected by the Administrative Agent in its discretion or upon instruction by the Required Lenders; and

(ii) all outstanding Tranche B Same Day Multi-Currency Advances (x) as of the Borrowing Date or, if applicable, date of conversion/continuation of such Tranche B Same Day Multi-Currency Advance, (y) on and as of the last Business Day of each calendar quarter and on any other Business Day elected by the Administrative Agent in its discretion or upon instruction by the Required Lenders.

(b) The applicable Swing Lender will determine the Equivalent Amount of each Swing Loan made by it on the Borrowing Date of such Swing Loan. The applicable Swing Lender shall notify the Administrative Agent of the Equivalent Amount of each Swing Loan made by it on the Borrowing Date of such Swing Loan.

(c) Each day upon or as of which the Administrative Agent, or the applicable Swing Lender, as the case may be, determines Dollar Amounts as described in the preceding *clauses (a) or (b)* is herein described as a "Revaluation Date" with respect to each Revolving Advance and each Swing Loan for which a Dollar Amount is determined on or as of such day. If the Administrative Agent notifies Visa Inc. at any time that the Dollar Amount of the outstanding Tranche A Loans, the outstanding Tranche B Loans or the outstanding Swing Loans (calculated, with respect to those outstanding Revolving Advances denominated in Agreed Currencies other than Dollars and outstanding Swing Loans, as of the most recent Revaluation Date therefor) exceeds 105% of the Dollar Amount of the Total Tranche A Commitment, the Total Tranche B Commitment or the Swing Commitment, as the case may be, the applicable Borrower shall, within two Business Days after such notice, repay the applicable outstanding Revolving Advances or Swing Loans in an aggregate principal amount sufficient to eliminate the excess above 100%.

2.5 Repayment of Loans.

(a) Each Swing Loan shall be paid in full by the applicable Borrower on the applicable Maturity Date.

(b) All outstanding Revolving Loans and all other unpaid Obligations shall be paid in full by the applicable Borrower on the Termination Date.

2.6 Ratable Loans; Types of Revolving Advances. Each Tranche A Advance hereunder shall consist of Tranche A Loans made by the Tranche A Lenders ratably in accordance with their respective Pro

Rata Shares. Each Tranche B Advance hereunder shall consist of Tranche B Loans made by the Tranche B Lenders ratably in accordance with their respective Pro Rata Shares. Any Revolving Advance may be a Base Rate Advance, a Same Day Dollar Advance or a Eurocurrency Rate Advance or in the case of a Tranche B Advance, a Tranche B Same Day Multi-Currency Advance, or a combination thereof, selected by the applicable Borrower in accordance with Sections 2.7 and 2.8.

2.7 Method of Selecting Types and Interest Periods for New Revolving Advances. The applicable Borrower shall select the Class and Type of Revolving Advance and, in the case of each Eurocurrency Rate Advance or Tranche B Same Day Multi-Currency Advance, the Agreed Currency and in the case of each Eurocurrency Rate Advance, the Interest Period applicable thereto from time to time. The applicable Borrower shall give the Administrative Agent (or in the case of a borrowing of a Tranche B Same Day Multi-Currency Advance, the London Sub-Agent with a copy to the Administrative Agent) irrevocable notice, executed by two Authorized Officers, in substantially the form of Exhibit D or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as may be approved by the Administrative Agent) (a "Revolving Advance Borrowing Notice") (i) not later than 4:00 p.m. (New York time) on the Borrowing Date of each Base Rate Advance or Same Day Dollar Advance, (ii) not later than 3:00 p.m. (New York time) at least three Business Days before the Borrowing Date for each Eurocurrency Rate Advance denominated in Dollars, (iii) not later than 3:00 p.m. (New York time) at least four Business Days before the Borrowing Date for each Eurocurrency Rate Advance to be denominated in an Agreed Currency other than Dollars and (iv) not later than noon (London time) on the Borrowing Date for each Tranche B Same Day Multi-Currency Advance, specifying:

- (a) the Borrowing Date, which shall be a Business Day, of such Revolving Advance;
- (b) the aggregate amount of such Revolving Advance;
- (c) the Class of Revolving Advance selected;
- (d) the Type of Revolving Advance selected;
- (e) in the case of each Tranche B Same Day Multi-Currency Advance and each Eurocurrency Rate Advance, the Agreed Currency selected; and
- (f) in the case of each Eurocurrency Rate Advance, the Interest Period applicable thereto.

2.8 Method of Selecting Types for Swing Loans. Subject to Section 2.3.1, each Swing Loan shall be made upon delivery of irrevocable notice, executed by two Authorized Officers, in substantially the form of Exhibit E or such other form as may be approved by the Administrative Agent or the applicable Swing Lender (including any form on an electronic platform or electronic transmission system as may be approved by the Administrative Agent or the applicable Swing Lender) (the "Swing Loan Borrowing Notice") from the applicable Borrower to the Administrative Agent and the applicable Swing Lender not later than 2:00 p.m. (London time), in the case of Swing Loans denominated in Euro and not later than 2:30 p.m. (London time) in the case of Swing Loans denominated in Sterling, in each case, on the requested Borrowing Date. Each such notice shall specify:

- (a) the Borrowing Date, which shall be a Business Day, of such Swing Loan; and
- (b) the aggregate amount of such Swing Loan, which shall be a principal Equivalent Amount of at least U.S.\$1,000,000 and an integral multiple of 1,000,000 units of Sterling or Euro, as applicable, or such lesser amount as may be agreed by the applicable Swing Lender.

2.9 Conversion and Continuation of Outstanding Revolving Advances. (a) Base Rate Advances, Same Day Dollar Advances and Tranche B Same Day Multi-Currency Advances shall continue as Base Rate Advances, Same Day Dollar Advances or Tranche B Same Day Multi-Currency Advances, as applicable, unless and until such Revolving Advances are converted into Eurocurrency Rate Advances pursuant to this Section 2.9, are repaid in accordance with Section 2.5 or are prepaid in accordance with Section 2.16. Each Eurocurrency Rate Advance shall continue as a Eurocurrency Rate Advance until the end of the then applicable Interest Period therefor, at which time:

(i) each such Eurocurrency Rate Advance denominated in Dollars shall be automatically converted into a Base Rate Advance unless (x) such Eurocurrency Rate Advance is repaid in accordance with Section 2.5 or is prepaid in accordance with Section 2.16 or (y) the applicable Borrower shall have given the Administrative Agent a Conversion/Continuation Notice (as defined below) requesting that, at the end of such Interest Period, such Eurocurrency Rate Advance either continue as a Eurocurrency Rate Advance in Dollars for the same or another Interest Period or be converted into a Base Rate Advance; and

(ii) each such Eurocurrency Rate Advance denominated in an Agreed Currency other than Dollars shall automatically continue as a Eurocurrency Rate Advance in the same Agreed Currency with an Interest Period of one month unless (x) such Eurocurrency Rate Advance is repaid in accordance with Section 2.5 or is prepaid in accordance with Section 2.16 or (y) the applicable Borrower shall have given the Administrative Agent a Conversion/Continuation Notice (as defined below) requesting that, at the end of such Interest Period, such Eurocurrency Rate Advance continue as a Eurocurrency Rate Advance on the same Agreed Currency for the same or another Interest Period.

(b) Subject to the terms of Section 3.5, the applicable Borrower may elect from time to time to convert (i) all or any part of a Revolving Advance denominated in Dollars from one Type into the other Type or (ii) all or any part of a Tranche B Same Day Multi-Currency Advance denominated in any Agreed Currency into Eurocurrency Rate Advances denominated in the same Agreed Currency (but, in each case, not from one Class into the other Class); *provided* that any conversion of any Eurocurrency Rate Advance shall be made on, and only on, the last day of the Interest Period applicable thereto. The applicable Borrower shall give the Administrative Agent irrevocable notice in substantially the form of Exhibit F (a "Conversion/Continuation Notice") of each conversion of a Revolving Advance or continuation of a Eurocurrency Rate Advance not later than 1:00 (New York time) on the Business Day of the requested conversion or continuation, in the case of a conversion into a Base Rate Advance, not later than 3:00 p.m. (New York time) at least three Business Days prior to the date of the requested conversion or continuation, in the case of a conversion into or continuation of a Eurocurrency Rate Advance denominated in Dollars, or not later than 3:00 p.m. (New York time) at least four Business Days prior to the date of the requested continuation, in the case of a continuation of a Eurocurrency Rate Advance denominated in an Agreed Currency other than Dollars, specifying:

(i) the requested date, which shall be a Business Day, of such conversion or continuation;

(ii) the Class of the Loan to be converted or continued; and

(iii) to the extent applicable, the Agreed Currency, amount and Type(s) of the Revolving Advance(s) into which such Revolving Advance is to be converted or continued and, in the case of a conversion into or continuation of a Eurocurrency Rate Advance, the duration of the Interest Period applicable thereto.

2.10 Fees and Reductions in Commitments.

2.10.1 Commitment Fee. The Borrowers jointly and severally agree to pay or cause to be paid to the Administrative Agent for the account of each Revolving Lender (subject to Section 2.28(a)(iii)) a commitment fee on the aggregate unused amount of such Revolving Lender's Commitment from the date hereof until the Termination Date at a rate per annum equal to the Commitment Fee Rate, payable on each Payment Date and on the Termination Date. For purposes of calculating the commitment fees hereunder, (i) the principal amount of each Revolving Advance made in an Agreed Currency other than Dollars shall be at any time the Equivalent Amount of such Revolving Advance as determined on the most recent Revaluation Date with respect to such Revolving Advance and (ii) outstanding Swing Loans shall not constitute usage of any Revolving Lender's Commitment.

2.10.2 Commitment Reductions. Visa Inc. may permanently reduce the Total Commitment in whole, or in part ratably among the Revolving Lenders in integral multiples of U.S.\$5,000,000, upon at least three Business Days' written notice to the Administrative Agent, which notice shall specify the amount of any such reduction; *provided* that (i) the amount of the Total Tranche A Commitment may not be reduced below the aggregate Dollar Amount of the Total Tranche A Outstandings, (ii) the amount of the Total Tranche B Commitment may not be reduced below the aggregate Dollar Amount of the Total Tranche B Outstandings and (iii) a notice of termination of the Total Commitment delivered by Visa Inc. may state that such notice is conditioned upon the effectiveness of other credit facilities or another transaction, in which case such notice (and any required prepayments) may be revoked by Visa Inc. (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any such reduction of the Tranche B Commitment of any Lender shall reduce the Swing Commitment of such Lender on a dollar for dollar basis. All reductions of the Total Commitment shall be applied pro rata among the Revolving Lenders. All accrued commitment fees shall be payable on the effective date of any termination of the obligations of the Lenders to make Revolving Loans and Swing Loans hereunder.

2.11 Minimum Amount of Each Revolving Advance. Each Revolving Advance shall be in an amount equal to the Minimum Borrowing; *provided* that any Base Rate Advance or Same Day Dollar Advance may be in the amount of the unused Total Tranche A Commitment or the unused Total Tranche B Commitment, as applicable, and any Tranche B Same Day Multi-Currency Advance may be in the amount of the unused Total Tranche B Commitment.

2.12 Method of Borrowing. (a) On each Borrowing Date for Revolving Loans, each applicable Lender shall make available its Loan (i) if such Loan is a part of a Base Rate Advance or a Same Day Dollar Advance, not later than the earlier of two hours after receipt of applicable Revolving Advance Borrowing Notice and 5:00 p.m. (New York time) in federal or other funds immediately available to the Administrative Agent, in New York at its address specified in or pursuant to Article XIV, (ii) if such Loan is a part of a Eurocurrency Rate Advance denominated in Dollars, not later than 2:00 p.m. (New York time) in federal or other funds immediately available to the Administrative Agent, in New York at its address specified in or pursuant to Article XIV, (iii) if such Loan is a part of a Tranche B Same Day Multi-Currency Advance, not later than 2:00 p.m., local time, in the city of the Administrative Agent's Lending Installation for such currency, in such funds as may then be customary for the settlement of international transactions in such currency in the city of and at the address of the Administrative Agent's Lending Installation for such currency and (iv) if such Loan is a part of a Eurocurrency Rate Advance denominated an Agreed Currency other than Dollars, not later than noon, local time, in the city of the Administrative Agent's Lending Installation for such currency, in such funds as may then be customary for the settlement of

international transactions in such currency in the city of and at the address of the Administrative Agent's Lending Installation for such currency. Unless the Administrative Agent determines that any applicable condition specified in Article IV has not been satisfied, the Administrative Agent will make the funds so received from the applicable Lenders available to the applicable Borrower at the Administrative Agent's aforesaid address.

(a) Each Swing Lender shall, upon fulfillment of the applicable conditions set forth in Article IV (which fulfillment each Swing Lender may assume in the absence of prior written notice from the applicable Borrower, the Administrative Agent or the Required Lenders to the contrary), make any requested Swing Loan available on the requested Borrowing Date in Same Day Funds available to such Borrower in the currency and in the amount requested by such Borrower at such Swing Lender's Lending Installation.

(b) Any change to the account or accounts of any Borrower into which the proceeds of any Revolving Advance or Swing Loan are to be deposited or credited, or any change in the instructions of any Borrower with respect to the funding or transfer of the proceeds of any Revolving Advance or Swing Loan, shall require a written notice to the Administrative Agent or the applicable Swing Lender of such change, executed by two Authorized Officers of such Borrower.

2.13 Interest Rates, etc. (a) Each Base Rate Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Base Rate Advance is made or is converted from a Eurocurrency Rate Advance into a Base Rate Advance pursuant to Section 2.9 to but not including the date it becomes due or is converted into a Eurocurrency Rate Advance pursuant to Section 2.9, at a rate per annum equal to (x) the Base Rate for such day plus (y) the Applicable Margin in effect from time to time. Changes in the rate of interest on that portion of any Revolving Advance maintained as a Base Rate Advance will take effect simultaneously with each change in the Base Rate.

(a) Each Same Day Dollar Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Same Day Dollar Advance is made or is converted from a Eurocurrency Rate Advance into a Same Day Dollar Advance pursuant to Section 2.9 to but not including the date it becomes due or is converted into a Eurocurrency Rate Advance pursuant to Section 2.9, at a rate per annum equal to (x) the Same Day Rate for such day plus (y) the Applicable Margin in effect from time to time.

(b) Each Eurocurrency Rate Advance shall bear interest on the outstanding principal amount thereof from and including the first day of the Interest Period applicable thereto to but not including the last day of such Interest Period at a rate per annum equal to (x) the Eurocurrency Rate plus (y) the Applicable Margin in effect from time to time, determined by the Administrative Agent as applicable to such Eurocurrency Rate Advance based upon the applicable Borrower's selections under Sections 2.7 and 2.9 and otherwise in accordance with the terms hereof.

(c) Each Tranche B Same Day Multi-Currency Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Tranche B Same Day Multi-Currency Advance is made to but not including the date it becomes due or is converted into a Eurocurrency Rate Advance pursuant to Section 2.9, at a rate per annum equal to (x) the Same Day Rate for such day plus (y) the Applicable Margin in effect from time to time.

(d) Each Swing Loan shall bear interest on the outstanding principal amount thereof, for each day from and including the day such Swing Loan is made to but not including the date it is paid at a rate per annum equal to the sum of (x) the Same Day Rate for such day plus (y) the Applicable Margin in effect from time to time.

2.14 Rates Applicable During an Event of Default. Notwithstanding anything to the contrary contained in this Article II, during the continuance of an Event of Default, the Required Lenders may, at their option, by notice to Visa Inc. (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.2 requiring unanimous consent of the Lenders to changes in interest rates), declare that (a) no Revolving Advance denominated in Dollars and no Tranche B Same Day Multi-Currency Advance may be converted into or continued as a Eurocurrency Rate Advance and/or (b) no Interest Period for any Revolving Advance denominated in a currency other than Dollars may have a term longer than one month. During the continuance of an Event of Default under Section 7.2, the Required Lenders may, at their option, by notice to Visa Inc. (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.2 requiring unanimous consent of the Lenders to changes in interest rates), declare that (a) any unpaid amount of each Eurocurrency Rate Advance shall bear interest for the remainder of the applicable Interest Period and any subsequent Interest Period at the rate otherwise applicable thereto plus 2% per annum, (b) any unpaid amount of each Base Rate Advance shall bear interest at the rate otherwise applicable thereto from time to time plus 2% per annum, (c) any unpaid amount of each Same Day Dollar Advance shall bear interest at the rate otherwise applicable thereto from time to time plus 2% per annum, (d) any unpaid amount of each Tranche B Same Day Multi-Currency Advance shall bear interest at the rate otherwise applicable thereto from time to time plus 2% per annum and (e) any unpaid amount of each Swing Loan shall bear interest at a rate per annum equal to the rate otherwise applicable thereto from time to time plus 2% per annum. During the continuance of an Event of Default under Section 7.5, the interest rates set forth in *clauses (a), (b), (c), (d) and (e)* above shall be applicable to the amounts described therein without any election or action on the part of the Administrative Agent or any Lender.

2.15 Method of Payment.

(a) Each Revolving Advance shall be repaid by the applicable Borrower and each payment of interest thereon shall be paid by the applicable Borrower in the currency in which such Revolving Advance was made. All such payments to be made in Dollars and all other payments in respect of the Obligations (other than payments in respect of Swing Loans, which shall be paid in accordance with Section 2.15(c) below) shall be made by the applicable Borrower, without condition or deduction for any counterclaim, defense, recoupment or setoff, in immediately available funds to the Administrative Agent at (except as set forth in the next sentence) the Administrative Agent's Lending Installation, by noon (local time at the place of payment) on the date due and shall be applied ratably by the Administrative Agent among the Revolving Lenders according to their respective Pro Rata Shares (based on the Class of the Revolving Advance to which such payment is to be applied, as designated by the applicable Borrower pursuant Section 2.15(b)). All such payments to be made in any currency other than Dollars (other than payments in respect of Swing Loans, which shall be paid in accordance with Section 2.15(c) below) shall be made by the applicable Borrower, without condition or deduction for any counterclaim, defense, recoupment or setoff, in such currency by noon (local time at the place of payment) on the date due in such funds as may then be customary for the settlement of international transactions in such currency for the account of the Administrative Agent, at its Lending Installation for such currency, and shall be applied ratably by the Administrative Agent among the Revolving Lenders according to their respective Pro Rata Shares (based on the Class of the Revolving Advance to which such payment is to be applied, as designated by the applicable Borrower pursuant Section 2.15(b)). Each payment delivered to the Administrative Agent for the account of any Revolving Lender shall be delivered promptly by the Administrative Agent to the applicable Lender in the same type of funds that the Administrative Agent received at such Lender's address specified pursuant to Article XIV or at any Lending Installation specified in a notice received by the Administrative Agent from such Lender.

(b) If there is more than one Class of Loans outstanding at such time, concurrently with each payment made under this Section 2.15 and each prepayment made under Section 2.16, the applicable Borrower shall designate to the Administrative Agent the Class of Revolving Advance or Swing Loan to which such payment or prepayment should be applied.

(c) Each Swing Loan shall be repaid by the applicable Borrower and each payment of interest thereon shall be paid by the applicable Borrower in the currency of such Swing Loan to the Lending Installation of the applicable Swing Lender. All such payments shall be made by the applicable Borrower by noon (London time), without condition or deduction for any counterclaim, defense, recoupment or setoff, on or before the Maturity Date in such funds as may then be customary for the settlement of international transactions in the applicable currency for the account of the Lending Installation of the applicable Swing Lender.

(d) Notwithstanding the foregoing provisions of this Section 2.15, if, after the making of any Revolving Advance in any currency other than Dollars or any Swing Loan, currency control or exchange regulations are imposed in the country which issues the applicable currency with the result that the type of currency in which such Revolving Advance, such Swing Loan was made (the "Original Currency") no longer exists or the applicable Borrower is not able to make payment in such Original Currency, then all payments to be made by such Borrower hereunder in such currency shall instead be made when due in Dollars in an amount equal to the Dollar Amount (as of the date of repayment) of such payment due, it being the intention of the parties hereto that such Borrower take all risks of the imposition of any such currency control or exchange regulations. For purposes of this Section 2.15, the commencement of the third stage of the European Economic and Monetary Union shall not constitute the imposition of currency control or exchange regulations.

(e) The obligations of the Lenders hereunder to make Revolving Advances, to fund participations in Swing Loans pursuant to Section 2.23 and to make payments pursuant to Section 9.5(c) are several and not joint. Subject to Section 2.28(a)(iv), the failure of any Lender to make any Loan required to be funded by it hereunder, to fund any such participation or to make any payment under Section 9.5(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to fund its participation or to make its payment under Section 9.5(c).

2.16 Optional Principal Payments.

2.16.1 Base Rate Advances. The applicable Borrower may from time to time pay, without penalty or premium, all outstanding Base Rate Advances owing by it or, in an amount equal to the Minimum Borrowing, any portion of the outstanding Base Rate Advances upon notice to the Administrative Agent not later than 1:00 p.m. (New York time) on the date of prepayment, which notice must be substantially in the form attached hereto as Exhibit H (including any form on an electronic platform or electronic transmission system) or as otherwise agreed by Visa Inc. and the Administrative Agent from time to time, appropriately completed.

2.16.2 Same Day Dollar Advances. The applicable Borrower may from time to time pay, without penalty or premium, all outstanding Same Day Dollar Advances owing by it or, in an amount equal to the Minimum Borrowing, any portion of the outstanding Same Day Dollar Advances upon notice to the Administrative Agent not later than 1:00 p.m. (New York time) on the date of prepayment, which notice must be substantially in the form attached hereto as Exhibit H (including any form on an electronic platform or electronic transmission system) or as otherwise agreed by Visa Inc. and the Administrative Agent from time to time, appropriately completed.

2.16.3 Eurocurrency Rate Advances. The applicable Borrower may from time to time pay, subject to the payment of any amounts required by Section 3.5 but without penalty or premium, all outstanding Eurocurrency Rate Advances owing by it or, in an amount equal to the Minimum Borrowing, any portion of the outstanding Eurocurrency Rate Advances owing by it upon at least three Business Days' prior notice to the Administrative Agent, which notice must be substantially in the form attached hereto as Exhibit H (including any form on an electronic platform or electronic transmission system) or as otherwise agreed by Visa Inc. and the Administrative Agent from time to time, appropriately completed.

2.16.4 Tranche B Same Day Multi-Currency Advances. The applicable Borrower may from time to time pay, without penalty or premium, all outstanding Tranche B Same Day Multi-Currency Advances owing by it or, in an amount equal to the Minimum Borrowing, any portion of the outstanding Tranche B Same Day Multi-Currency Advances owing by it upon notice to the Administrative Agent not later than noon (London time) on the date of prepayment, which notice must be substantially in the form attached hereto as Exhibit H (including any form on an electronic platform or electronic transmission system) or as otherwise agreed by Visa Inc. and the Administrative Agent from time to time, appropriately completed.

2.16.5 Swing Loans. The applicable Borrower may from time to time pay, without premium or penalty, all outstanding Swing Loans owing by it or, in an amount equal to a principal Equivalent Amount of at least U.S.\$5,000,000 and an integral multiple of 1,000,000 units of Sterling or Euro, as applicable, any portion of an outstanding Swing Loan owing by it upon notice to the applicable Swing Lender not later than noon (London time) on the date of such prepayment, which notice must be substantially in the form attached hereto as Exhibit I (including any form on an electronic platform or electronic transmission system) or as otherwise agreed by Visa Inc. and such Swing Lender from time to time, appropriately completed.

2.16.6 Pro Rata Distribution. Any optional payment of Loans shall be made to the Administrative Agent for distribution on a pro rata basis to the applicable Lenders.

2.17 Noteless Agreement; Evidence of Indebtedness. (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Loan made by such Lender from time to time, including the Class of each Loan and the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(a) The Administrative Agent shall maintain accounts in which it will record (i) the amount and Class of each Revolving Loan made hereunder, the Agreed Currency and Type thereof and the Interest Period with respect thereto, (ii) the amount and currency of each Swing Loan made hereunder, (iii) the amount of any principal or interest due and payable or to become due and payable from any Borrower to each Lender hereunder and (iv) the amount of any sum received by the Administrative Agent hereunder from any Borrower and each Lender's share thereof.

(b) Absent manifest error, the entries in the accounts maintained pursuant to *clauses (a) and (b)* above shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded; *provided* that the failure of the Administrative Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the applicable Borrower to repay the Obligations in accordance with their terms. In the event of any conflict between the accounts maintained by the Administrative Agent and the accounts of any Lender, the accounts of the Administrative Agent shall control in the absence of manifest error.

(c) Any Revolving Lender may request that its Loans be evidenced by a promissory note substantially in the form of Exhibit C (a “Note”). In such event, the applicable Borrower shall prepare, execute and deliver to such Revolving Lender such Note payable to such Revolving Lender. Thereafter, the Loans evidenced by such Note and interest thereon shall at all times (including after any assignment pursuant to Section 13.3) be represented by one or more Notes payable to the payee named therein or any assignee pursuant to Section 13.3, except to the extent that any such Revolving Lender or assignee subsequently returns any such Note for cancellation and requests that such Loans once again be evidenced as described in *clauses (a) and (b)* above.

2.18 Telephonic Notices. Each Borrower hereby authorizes the Lenders and the Administrative Agent to convert or continue Revolving Advances based on telephonic notices made by any person or persons the Administrative Agent or any Lender in good faith believes to be an Authorized Officer, it being understood that the foregoing authorization is specifically intended to allow Conversion/Continuation Notices to be given telephonically by an Authorized Officer. The applicable Borrower agrees to deliver promptly to the Administrative Agent or the applicable Lender a written confirmation (signed by an Authorized Officer) of each telephonic notice, if such confirmation is requested by the Administrative Agent or such Lender. If the written confirmation differs in any material respect from the action taken by the Administrative Agent or the applicable Lender in accordance with the telephonic notice of the applicable Borrower, the records of the Administrative Agent or such Lender shall govern absent manifest error.

2.19 Interest Payment Dates; Interest and Fee Basis. Interest accrued on each Base Rate Advance, Same Day Dollar Advance or Tranche B Same Day Multi-Currency Advance shall be payable by the applicable Borrower on each Payment Date, commencing with the first such date to occur after the date hereof, on any date on which such Revolving Advance is prepaid, whether due to acceleration or otherwise, and at maturity. Interest accrued on that portion of the outstanding principal amount of any Base Rate Advance, Same Day Dollar Advance or Tranche B Same Day Multi-Currency Advance converted into a Eurocurrency Rate Advance on a day other than a Payment Date shall be payable by the applicable Borrower on the date of conversion. Interest accrued on each Eurocurrency Rate Advance shall be payable by the applicable Borrower on the last day of its applicable Interest Period, on any date on which such Eurocurrency Rate Advance is prepaid, whether by acceleration or otherwise, and at maturity. Interest accrued on each Eurocurrency Rate Advance having an Interest Period longer than three months shall also be payable by the applicable Borrower on the last day of each three-month interval during such Interest Period. Interest accrued on each Swing Loan shall be paid by the applicable Borrower on the Maturity Date therefor and on any date on which such Swing Loan is prepaid, whether due to acceleration or otherwise. Interest and commitment fees shall be calculated for actual days elapsed on the basis of a 360-day year, *except* for (x) interest on Base Rate Loans calculated by reference to the “prime rate” of Bank of America, which shall be calculated for actual days elapsed on the basis of a 365-day year or when appropriate, a 366-day year and (y) Swing Loans denominated in Sterling and Revolving Loans denominated in Sterling, which shall be calculated for actual days elapsed on the basis of a 365-day year. Interest shall be payable by the applicable Borrower for the day a Loan is made but not for the day of any payment on the amount paid if payment is received prior to noon (local time) at the place of payment. If any payment of principal or interest on a Loan shall become due on a day which is not a Business Day, such payment shall be made by the applicable Borrower on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest in connection with such payment.

2.20 Notification of Revolving Advances, Interest Rates, Prepayments and Commitment Reductions. Promptly after receipt thereof, the Administrative Agent will notify each applicable Lender of the contents of each Total Commitment reduction notice, Revolving Advance Borrowing Notice, Conversion/Continuation Notice and repayment or prepayment notice received by it hereunder. The Administrative Agent will notify each applicable Lender of the interest rate applicable to each Eurocurrency

Rate Advance promptly upon determination of such interest rate and will give each Lender prompt notice of each change in the Base Rate or the Same Day Rate.

2.21 Lending Installations. Each Lender may, by written notice to the Administrative Agent and Visa Inc. in accordance with Article XIV, or the Administrative Agent, may by written notice to Visa Inc. and the Lenders, designate replacement or additional Lending Installations through which Loans will be made available by it and for whose account Loan payments are to be made. All terms of this Agreement shall apply to any such Lending Installation and the Loans and any Notes issued hereunder shall be deemed held by each Lender for the benefit of any such Lending Installation.

2.22 Non-Receipt of Funds by the Administrative Agent. (a) Unless the Administrative Agent shall have received notice from a Lender on (in the case of a Base Rate Advance, a Same Day Dollar Advance or a Tranche B Same Day Multi-Currency Advance) or prior to (in the case of a Eurocurrency Rate Advance) the proposed date of any Revolving Advance that such Lender will not make available to the Administrative Agent such Lender's share of such Revolving Advance, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Sections 2.1 and 2.2, as applicable, and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Revolving Advance available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to such Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be made by such Lender, the Compensation Rate and (ii) in the case of a payment to be made by such Borrower, the rate of interest applicable to such Revolving Advance. If such Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Revolving Advance to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Revolving Advance. Any payment by such Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(a) Unless the Administrative Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if such Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Compensation Rate. A notice of the Administrative Agent to any Lender or such Borrower with respect to any amount owing under this *clause (b)* shall be conclusive, absent manifest error.

2.23 Participations in Swing Loans. (a) Each Tranche B Lender agrees that it shall at all times have a participation in, and acknowledges that it is irrevocably and unconditionally obligated, upon receipt of notice that the Administrative Agent has received a Swing Participation Funding Notice for any Swing Loan, to fund (or to cause an Affiliate to fund) its participation in, such outstanding Swing Loan in an amount equal to its Pro Rata Share (or such greater share as may be determined pursuant to Section 2.28(a)(iv)) of the amount of such Swing Loan. Notwithstanding the foregoing, the aggregate Total Exposure of

any Lender (whether directly or by funded or unfunded participation) shall not exceed such Lender's Tranche B Commitment.

(a) The Administrative Agent shall promptly notify each Tranche B Lender of its receipt of a Swing Participation Funding Notice. Promptly (and in any event within three Business Days in the case of Swing Loans) after receipt of such Notice, each Tranche B Lender shall (or shall cause an Affiliate to) make available to the Administrative Agent for the account of each applicable Swing Lender an amount in the applicable Agreed Currency and in Same Day Funds equal to its applicable share of all outstanding Swing Loans of such Swing Lender (it being understood that no Tranche B Lender which is an Affiliate of a Swing Lender shall be obligated to make any amount available to such Swing Lender unless otherwise required by such Swing Lender). If any Tranche B Lender so notified fails to make available to the Administrative Agent for the account of the applicable Swing Lender the full amount of such Tranche B Lender's participations in all Swing Loans of such Swing Lender by the date which is three Business Days after its receipt of such notice from the Administrative Agent, then interest shall accrue on such Tranche B Lender's obligations to fund such participations, from such date to the date such Tranche B Lender pays such obligations in full, at a rate per annum equal to the interest rate applicable to each relevant Loan as in effect from time to time during such period. Until each Tranche B Lender funds its risk participation pursuant to this Section 2.23, interest in respect of such participation shall be solely for the account of the applicable Swing Lender.

(b) From and after the date on which the Administrative Agent has received a Swing Participation Funding Notice for any Swing Loan, all funds received by a Swing Lender in payment of any Swing Loan made by such Swing Lender, interest accrued thereon after the third Business Day following delivery of such notice and other amounts payable in respect thereof shall be delivered by such Swing Lender to the Administrative Agent, in the same funds as those received by such Swing Lender, to be distributed to all Tranche B Lenders in accordance with their applicable shares (i.e., giving effect to the funding of participations pursuant to this Section 2.23), except that the applicable share of such funds of any Tranche B Lender that has not funded its participations as provided herein shall be retained by such Swing Lender.

(c) If the Administrative Agent or any Swing Lender is required at any time to return to any Borrower, or to a trustee, receiver, liquidator or custodian or any official in any bankruptcy or insolvency proceeding, any portion of any payment made by such Borrower to the Administrative Agent or such Swing Lender in respect of any Swing Loan or any interest thereon, each Tranche B Lender shall, on demand of the Administrative Agent, forthwith return to the Administrative Agent for the account of such Swing Lender its applicable share of the amount so returned by the Administrative Agent or such Swing Lender plus interest thereon from the date such demand is made to the date such amount is returned by such Tranche B Lender to the Administrative Agent, at a rate per annum equal to the rate specified by such Swing Lender as its cost of funds for such period.

(d) The Required Lenders, the Swing Lenders and the Administrative Agent may agree on any other reasonable method (such as making assignments of Swing Loans) for sharing the risks of Swing Loans ratably among all Tranche B Lenders as provided herein so long as such method does not materially disadvantage any Lender.

(e) Each Tranche B Lender's obligation to fund its participation interests in Swing Loans pursuant to this Section 2.23 shall be absolute and unconditional and shall not be affected by any circumstance whatsoever, including (a) any set-off, counterclaim, recoupment, defense or other right which such Tranche B Lender may have against any other Lender, any Borrower, the Administrative Agent or any other Person for any reason whatsoever, (b) the occurrence or continuance of a Default, an Event of

Default or a Material Adverse Effect, (c) any breach of this Agreement by any Borrower or any other Lender, (d) any inability of any Borrower to satisfy the conditions precedent to borrowing set forth in this Agreement on the date upon which any participation interest in any Swing Loan is to be funded or (e) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(f) Notwithstanding the provisions of *clause (f)* above, no Tranche B Lender shall be required to fund a participation interest in any Swing Loan if, prior to the making of such Swing Loan, the applicable Swing Lender received written notice from the applicable Borrower, the Administrative Agent or the Required Lenders specifying that one or more of the conditions precedent to the making of such Swing Loan were not satisfied and, in fact, such conditions precedent to the making of such Swing Loan were not satisfied at the time of the making of such Swing Loan; *provided* that the obligation of such Tranche B Lender to fund such participation interest shall be reinstated on the date on which all conditions precedent to the making of such Swing Loan have been satisfied (or waived by the Required Lenders or all Tranche B Lenders, as applicable).

2.24 Designated Borrowers. (a) Designation. (i) Visa Inc. may, upon ten Business Days prior notice, at any time, and from time to time, by delivery to the Administrative Agent of a Designation Agreement duly executed by Visa Inc. and the respective Subsidiary and substantially in the form of Exhibit B hereto, designate such Subsidiary as a “Designated Borrower” for purposes of this Agreement and such Subsidiary shall thereupon become a “Designated Borrower” for purposes of this Agreement and, as such, shall have all of the rights and obligations of a Borrower hereunder; *provided* that no such Designated Borrower may borrow hereunder unless the conditions in Section 4.2 are satisfied on the date of the initial borrowing by such Designated Borrower; and *provided further* that if such Subsidiary is organized under the laws of a jurisdiction other than that of the United States or a political subdivision thereof (or, solely in the case of a designation of Visa Europe Limited, the United Kingdom), Visa Inc. shall give 15 Business Days prior notice to the Administrative Agent. The Administrative Agent shall

promptly notify each Lender of each such designation by Visa Inc. and the identity of the respective Subsidiary. Following the giving of any notice pursuant to this Section 2.24, if the designation of such Designated Borrower obligates the Administrative Agent or any Lender to comply with “know your customer” or other identification and customary due diligence procedures in circumstances where the necessary information is not already available to it, Visa Inc. shall, promptly upon the request of the Administrative Agent or any Lender, supply such documentation and other evidence as is reasonably requested by the Administrative Agent or any Lender in order for the Administrative Agent or such Lender to carry out and be satisfied it has complied with the results of all necessary “know your customer” and customary due diligence or other similar checks under all applicable laws and regulations (including, without limitation, Beneficial Ownership Certifications in relation to such Designated Borrower to the extent such Designated Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation). For the avoidance of doubt, Visa International, Visa U.S.A. and VEL are Designated Borrowers as of the Closing Date and the conditions in Section 4.2 are deemed to have been satisfied.

If Visa Inc. shall designate as a Designated Borrower hereunder any Subsidiary not organized under the laws of the United States or any State thereof, any Lender may, with notice to the Administrative Agent and Visa Inc., fulfill its Commitment by causing an Affiliate or branch of such Lender to act as the Lender in respect of such Designated Borrower.

(i) As soon as practicable and in any event within five Business Days after notice of the designation under Section 2.24(a)(i) of a Designated Borrower that is organized under the laws of a jurisdiction other than of the United States or a political subdivision thereof (or, solely in the case of a designation of Visa Europe Limited, the United Kingdom), any Lender that may not

legally lend to, or whose internal policies, consistently applied, preclude lending to, such Designated Borrower (a “Protesting Lender”) shall so notify Visa Inc. and the Administrative Agent in writing. With respect to each Protesting Lender, Visa Inc. shall, effective on or before the date that such Designated Borrower shall have the right to borrow hereunder, either (A) (i) replace such Protesting Lender in accordance with Section 2.27 or (ii) notify the Administrative Agent and such Protesting Lender that the Commitments of such Protesting Lender shall be terminated; *provided* that (x) Visa Inc. shall have received the prior written consent of the Administrative Agent and each Swing Lender, which consents shall not unreasonably be withheld, and (y) such Protesting Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, including amounts payable pursuant to Section 3.5, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the relevant Borrower (in the case of all other amounts), or (B) cancel its request to designate such Subsidiary as a “Designated Borrower” hereunder.

(b) Termination. Upon the indefeasible payment and performance in full of all of the indebtedness, liabilities and obligations under this Agreement of any Designated Borrower, so long as at the time no Revolving Advance Borrowing Notice or Swing Loan Borrowing Notice in respect of such Designated Borrower is outstanding, such Subsidiary’s status as a “Designated Borrower” shall terminate upon notice to such effect from the Administrative Agent to the Lenders (which notice the Administrative Agent shall give promptly, and only upon its receipt of a request therefor from Visa Inc.). Thereafter, the Lenders shall be under no further obligation to make any Loan hereunder to such Designated Borrower.

2.25 Judgment Currency. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from any Borrower hereunder in the currency expressed to be payable herein (the “specified currency”) into another currency, the parties hereto agree, to the fullest extent that they may

effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the specified currency with such other currency at the Administrative Agent’s main New York office on the Business Day preceding that on which final, nonappealable judgment is given. The obligations of the applicable Borrower in respect of any sum due to any Lender or the Administrative Agent hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Administrative Agent (as the case may be) of any sum adjudged to be so due in such other currency such Lender or the Administrative Agent (as the case may be) may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Lender or the Administrative Agent, as the case may be, in the specified currency, such Borrower agrees, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Administrative Agent, as the case may be, against such loss, and if the amount of the specified currency so purchased exceeds (a) the sum originally due to any Lender or the Administrative Agent, as the case may be, in the specified currency and (b) any amounts shared with other Lenders as a result of allocations of such excess as a disproportionate payment to such Lender under Section 12.2, such Lender or the Administrative Agent, as the case may be, agrees to remit such excess to such Borrower.

2.26 Increase in Commitments.

(a) Provided there exists no Default or Event of Default, upon notice to the Administrative Agent (which shall promptly notify such of the Revolving Lenders as Visa Inc. may specify), Visa Inc. may, from time to time, elect to increase the Total Commitment to an amount (after giving effect to all such increases) that does not exceed U.S.\$7,000,000,000; *provided* that (i) each increase shall be in a minimum

amount of U.S.\$25,000,000 and (ii) Visa Inc. may make a maximum of five such elections. At the time of sending such notice, Visa Inc. (in consultation with the Administrative Agent) shall specify the time period within which each applicable Revolving Lender is requested to respond (which shall in no event be less than ten Business Days from the date of delivery of such notice to the applicable Revolving Lenders).

(b) Each applicable Revolving Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its Commitment and, if so, the amount of such increase and whether such increase is of its Tranche A Commitment or Tranche B Commitment. Any Revolving Lender not responding within such time period shall be deemed to have declined to increase its Revolving Commitment.

(c) The Administrative Agent shall notify Visa Inc. and each applicable Revolving Lender of the applicable Revolving Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase and subject to the consent of the Administrative Agent and, in respect of any increase of Tranche B Commitments, each Swing Lender, which consent shall not be unreasonably withheld or delayed, Visa Inc. may also invite Eligible Assignees to become Lenders.

(d) If the Total Commitment is increased in accordance with this Section, the Administrative Agent and Visa Inc. shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify Visa Inc. and the Revolving Lenders (including any new Revolving Lenders) of the final allocation of such increase and such Increase Effective Date. On or before such Increase Effective Date, each Eligible Assignee that becomes a new Revolving Lender shall execute a joinder agreement to this Agreement in form and substance reasonably satisfactory to the Administrative Agent. The Administrative Agent is authorized and directed to amend and distribute to the Revolving Lenders (including any new Revolving Lenders) a revised Schedule 1 that gives effect to each increase in the Total Commitment and the allocation thereof among the Revolving Lenders (including any new Revolving Lenders).

(e) If on the Increase Effective Date, there is an unpaid principal amount of Revolving Loans, the applicable Borrowers shall, on such date or on such date or dates thereafter as the Administrative Agent shall reasonably specify (in consultation with Visa Inc. and having regard to the avoidance of amounts payable pursuant to Section 3.5, in each case so long as no Event of Default has occurred and is continuing), borrow Revolving Loans from the Revolving Lenders and/or prepay any Revolving Loans outstanding on each Increase Effective Date for the sole purpose of insuring that the Revolving Loans (including, without limitation, the Types thereof and Interest Periods with respect thereto) shall be held by the Revolving Lenders pro rata according to their revised applicable shares.

2.27 Replacement of Lenders. If any Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.6, or if any Lender is a Defaulting Lender, a Non-Consenting Lender or a Protesting Lender, then such Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Sections 13.1, 13.2 and 13.3), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.1 and 3.4) and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), *provided* that:

(a) Such Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 13.3.1(d);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under

the other Loan Documents (including any amounts under Section 3.5) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the applicable Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.4 or payments required to be made pursuant to Section 3.1, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling such Borrower to require such assignment and delegation cease to apply.

Each party hereto agrees that an assignment required pursuant to this Section 2.27 may, if not executed by the Lender required to make such assignment within five Business Days after such Lender is requested to execute such assignment, be effected pursuant to an Assignment and Assumption executed by Visa Inc. (as the attorney-in-fact and on behalf of such Lender) and the assignee and acknowledged by the Administrative Agent.

2.28 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 8.2.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 12.1 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Swing Lenders hereunder; third, as Visa Inc. may request (so long as no Default exists), to the funding of any Loan or participation therein in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fourth, if so determined by the Administrative Agent and Visa Inc., to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans or participations therein under this Agreement; fifth, to the payment of any amounts owing to any Lender or any Swing Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender or any Swing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; sixth, so long as no Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower

against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and seventh, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loan in respect of which such Defaulting Lender has not fully funded its appropriate share and (y) such Loans were made at a time when the conditions set forth in Section 4.3 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders as provided herein prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans and funded and unfunded participations in Swing Loans are held by the Lenders as required herein without giving effect to Section 2.28(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Commitment Fees. No Defaulting Lender shall be entitled to receive any commitment fee payable under Section 2.10 for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(iv) Reallocation of Unfunded Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's unfunded participation obligations in Swing Loans shall be reallocated among the applicable Non-Defaulting Lenders on a pro rata basis (calculated without

regard to such Defaulting Lender's Tranche B Commitment) but only to the extent that such reallocation does not cause the aggregate Total Exposure of any Non-Defaulting Lender (whether directly or by funded or unfunded participation) to exceed such Non-Defaulting Lender's Tranche B Commitment. Subject to Section 9.13, no reallocation hereunder shall be deemed to increase the Tranche B Commitment of any Non-Defaulting Lender or decrease the Tranche B Commitment of any Defaulting Lender or constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Repayment of Swing Loans. If the reallocation described in *clause (a)(iv)* above cannot, or can only partially, be effected, the applicable Borrower shall, within two Business Days following written notice and request by the Administrative Agent and without prejudice to any right or remedy available to it hereunder or under applicable law, prepay Swing Loans in an amount equal to the Swing Lenders' Fronting Exposure.

(b) Defaulting Lender Cure. If Visa Inc., the Administrative Agent and the Swing Lenders agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Swing Loans to be held on a pro rata basis by the applicable Lenders (without giving effect to Section 2.28(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and *provided, further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) New Swing Loans. So long as any Lender is a Defaulting Lender, no Swing Lender shall be required to fund any Swing Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swing Loan.

ARTICLE III - YIELD PROTECTION; TAXES

3.1 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. (i) Any and all payments by or on account of any obligation of any Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Borrower, then the Administrative Agent or such Borrower shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to *subsection (e)* below.

(i) If any Borrower or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) such Borrower or the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required

based upon the information and documentation it has received pursuant to *subsection (e)* below, (B) such Borrower or the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.1) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(ii) If any Borrower or the Administrative Agent shall be required by any applicable Laws other than the Code to withhold or deduct any Taxes from any payment, then (A) such Borrower or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to *subsection (e)* below, (B) such Borrower or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.1) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Borrowers. Without limiting the provisions of *subsection (a)* above, each applicable Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications.

(i) Each applicable Borrower shall, and does hereby, indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.1) payable or paid by such Recipient in respect of such Borrower or required to be withheld or deducted from a payment by such Borrower to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to applicable Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. Each applicable Borrower shall, and does hereby, indemnify the Administrative Agent, and shall make payment in respect thereof after demand therefor in accordance with Section 3.7(a), for any amount which a Lender for any reason fails to pay indefeasibly to the Administrative Agent in respect of such Borrower as required pursuant to Section 3.1(c)(ii) below.

(ii) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that the applicable Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of such Borrower to do so), (y) the Administrative Agent and the Borrowers, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.2.1 relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Borrowers, as applicable, against any Excluded Taxes attributable to such Lender that are payable or paid by the Administrative Agent or a Borrower in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this *subclause (ii)*.

(d) Evidence of Payments. Upon request by a Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by a Borrower or the Administrative Agent, as the case may be, to a Governmental Authority as provided in this Section 3.1, such Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to such Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to such Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Visa Inc. and the Administrative Agent, at the time or times reasonably requested by Visa Inc. or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or the taxing authorities of a jurisdiction pursuant to such applicable law or reasonably requested by Visa Inc. or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Visa Inc. or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by Visa Inc. or the Administrative Agent as will enable the Borrowers or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting

requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation either (A) set forth in Section 3.1(e)(ii)(A), (ii)(B) and (ii)(D) below or (B) required by applicable law other than the Code or the taxing authorities of the jurisdiction pursuant to such applicable law to comply with the requirements for exemption or reduction of withholding tax in that jurisdiction) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to Visa Inc. and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Visa Inc. or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Non-U.S. Lender shall, to the extent it is legally entitled to do so, deliver to Visa Inc. and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Visa Inc. or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Non-U.S. Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(II) executed copies of IRS Form W-8ECI;

(III) in the case of a Non-U.S. Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Non-U.S. Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable; or

(IV) to the extent a Non-U.S. Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9 and/or other certification documents from each beneficial owner, as applicable; provided that if the Non-U.S. Lender is a partnership and one or more direct or indirect partners of such Non-U.S. Lender are claiming the portfolio interest exemption, such Non-U.S. Lender may provide a U.S. Tax Compliance

Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner;

(C) any Non-U.S. Lender shall, to the extent it is legally entitled to do so, deliver to Visa Inc. and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Visa Inc. or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrowers or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to Visa Inc. and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by Visa Inc. or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Visa Inc. or the Administrative Agent as may be necessary for the Borrowers and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this *clause (D)*, "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(ii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.1 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Visa Inc. and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines in good faith that it has received a refund of any Taxes as to which it has been indemnified by any Borrower or with respect to which any Borrower has paid additional amounts pursuant to this Section 3.1, it shall pay to such Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower under this Section 3.1 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Borrower, upon the request of the Recipient, agrees to repay the amount paid over to such Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to such Borrower pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed

to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Borrower or any other Person.

(g) Survival. Each party's obligations under this Section 3.1 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.2 Illegality. If any Lender determines in good faith that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Installation to perform any of its obligations hereunder with respect to, or to make, maintain or fund or charge interest with respect to, any Revolving Advance or Swing Loan or to determine or charge interest rates based upon any Currency Reference Rate, or if any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars or any other Agreed Currency in the applicable interbank market, then, on notice thereof by such Lender to the Borrowers through the Administrative Agent (which notice shall be given promptly by such Lender after the basis for such notice is known by such Lender), (i) such obligation of such Lender to issue, make, maintain, fund or charge interest with respect to any such Revolving Advance or Swing Loan or continue Loans in the affected currency or currencies or, in the case of Eurocurrency Rate Loans in Dollars, to convert Base Rate Loans, Same Day Dollar Loans or Tranche B Same Day Multi-Currency

Loans to Eurocurrency Rate Loans, shall be suspended and (ii) if such notice asserts the illegality of such Lender's making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Daily Floating One Month Rate, Same Day Dollar Loans or Tranche B Same Day Multi-Currency Loans, the interest rate on such Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Daily Floating One Month Rate, in each case until such Lender notifies the Administrative Agent and Visa Inc. that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the applicable Borrower shall, within the applicable time frame set forth below, prepay or, if applicable and such Loans are denominated in Dollars, convert all Eurocurrency Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Daily Floating One Month Rate), on the earlier of the last day of the Interest Period or the Maturity Date, as applicable, therefor, if such Lender may lawfully continue to maintain such Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Loans. Upon any such prepayment or conversion, the applicable Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.3 Inability to Determine Rates; Reference Rate Replacement. (a) If in connection with any request for a Eurocurrency Rate Loan, a Same Day Dollar Loan, a Tranche B Same Day Multi-Currency Loan or a Swing Loan or a conversion to or continuation thereof, as applicable, (i) the Administrative Agent or a Swing Lender, as the case may be, determines that (A) deposits (whether in Dollars or another Agreed Currency) are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period or day, as applicable, of such Eurocurrency Rate Loan, a Same Day Dollar Loan, a Tranche B Same Day Multi-Currency Loan or Swing Loan, or (B) adequate and reasonable means do not exist for determining any applicable Currency Reference Rate for any requested Interest Period or day, as applicable, with respect to a proposed Eurocurrency Rate Loan, Same Day Dollar Loan, Tranche B Same Day Multi-Currency Loan or Swing Loan (whether denominated in Dollars or another Agreed Currency) or in connection with an existing or proposed Base Rate Loan (in each case with respect to this *clause (a)*, the "Impacted Loans") or (ii) the Administrative Agent or the Required Lenders determine that for any reason the applicable Currency Reference Rate for any requested Interest Period or day, as applicable, with respect to a proposed Eurocurrency Rate Loan or applicable Swing Loan does not

adequately and fairly reflect the cost to such Lenders of funding such Eurocurrency Rate Loan, Same Day Dollar Loan, Tranche B Same Day Multi-Currency Loan or Swing Loan, the Administrative Agent will promptly so notify Visa Inc. and each applicable Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Rate Loans, Same Day Dollar Loans, Tranche B Same Day Multi-Currency Loans or Swing Loans in the affected currency or currencies and for the affected Interest Period or day shall be suspended and (y) in the event of a determination described in the preceding sentence with respect to the Daily Floating One Month Rate, the utilization of the Daily Floating One Month Rate in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders or a Swing Lender) revokes such notice. Upon receipt of such notice, any Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Eurocurrency Rate Loans, Same Day Dollar Loans, Tranche B Same Day Multi-Currency Loans or Swing Loans, as applicable, in the affected currency or currencies and for the affected Interest Period or day or, failing that, will be deemed to have converted such request into a request for a borrowing of Base Rate Loans in the amount specified therein.

(a) Notwithstanding the foregoing, if the Administrative Agent has made the determination described in *clause (a)* of this *Section*, the Administrative Agent, in consultation with Visa Inc. and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under *clause (a)* of the first sentence of this *Section*, (2) the Administrative Agent or the Required Lenders notify the Administrative Agent and Visa Inc. that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Installation to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and Visa Inc. written notice thereof.

(b) Notwithstanding anything to the contrary in this Agreement or any other Loan Document, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Borrower or the Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Borrowers) that the Borrowers or the Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining a Reference Rate for any requested Interest Period, including, without limitation, because such Reference Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the administrator of any Reference Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which such Reference Rate shall no longer be made available, or used for determining the interest rate of loans (such specific date, the “Scheduled Unavailability Date”), or

(iii) syndicated loans currently being executed, or that include language similar to that contained in this Section 3.3, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace a Reference Rate,

then, reasonably promptly after such determination by the Administrative Agent or receipt by the Administrative Agent of such notice, as applicable, the Administrative Agent and the Borrowers may amend

this Agreement to replace such Reference Rate with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein), giving due consideration to any evolving or then existing convention for similar Dollar and Sterling denominated syndicated credit facilities for such alternative benchmarks (any such proposed rate, a “Reference Rate Successor Rate”), together with any proposed Reference Rate Successor Rate Conforming Changes (as defined below) and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrowers unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders do not accept such amendment. Such Reference Rate Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Reference Rate Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent in good faith.

If no Reference Rate Successor Rate has been determined and the circumstances under clause (i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Administrative Agent will promptly so notify the Borrowers and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Rate Advances or Eurocurrency Rate Loans using such Reference Rate shall be suspended, (to the extent of the affected Eurocurrency Rate Advances or Eurocurrency Rate Loans or Interest Periods), and (y) the Daily Floating One Month Rate component in the case of a

currency other than Euro shall no longer be utilized in determining the Base Rate. Upon receipt of such notice, the applicable Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Eurocurrency Rate Advances or Eurocurrency Rate Loans using such Reference Rate (to the extent of the affected Eurocurrency Rate Advances or Eurocurrency Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a borrowing of Base Rate Advances or Base Rate Loans, as applicable (subject to the foregoing clause (y)) in the amount specified therein.

Notwithstanding anything else herein, any definition of Reference Rate Successor Rate shall provide that in no event shall such Reference Rate Successor Rate be less than zero for purposes of this Agreement.

For purposes hereof, “Reference Rate Successor Rate Conforming Changes” means, with respect to any proposed Reference Rate Successor Rate, any conforming changes to the definition of Base Rate, Interest Period, timing and frequency of determining rates and making payments of interest and other administrative matters as may be appropriate, in good faith and in the discretion of the Administrative Agent in consultation with the Borrowers, to reflect the adoption of such Reference Rate Successor Rate and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines in good faith that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such Reference Rate Successor Rate exists, in such other manner of administration as the Administrative Agent determines in good faith is reasonably necessary in connection with the administration of this Agreement).

3.4 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or

credit extended or participated in by, any Lender (except any reserve requirement reflected in a Currency Reference Rate); or

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in *clauses (b) through (d)* of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender, by an amount which such Lender deems to be material, of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender and in accordance with Section 3.7, the applicable Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital and Liquidity Requirements. If any Lender determines in good faith that any Change in Law affecting such Lender or any Lending Installation of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or funded or unfunded participations in Swing Loans held by, such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy) by an amount deemed by such Lender to be material, then from time to time upon request by such Lender and in accordance with Section 3.7, the Borrowers will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

3.5 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time in accordance with Section 3.7(a), the applicable Borrower shall promptly (and in accordance with Section 3.7) compensate such Lender for and hold such Lender harmless from any actual loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Eurocurrency Rate Loan by such Borrower on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration or otherwise);

(b) any failure by such Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Eurocurrency Rate Loan on the date or in the amount notified by such Borrower;

(c) any failure by such Borrower to make payment of any Loan (or interest due thereon) denominated in an Agreed Currency on its scheduled due date or any payment thereof in a different currency; or

(d) any assignment of a Eurocurrency Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by such Borrower pursuant to Section 2.27;

excluding any loss of anticipated profits but including any actual foreign exchange losses and any actual loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The applicable Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by any Borrower to the Lenders under this Section 3.5, each Lender shall be deemed to have funded each Eurocurrency Rate Loan made by it at the Eurocurrency Base Rate used in determining the Eurocurrency Rate for such Loan by a matching deposit or other borrowing in the offshore interbank market for such currency for a comparable amount and for a comparable period, whether or not such Eurocurrency Rate Loan was, when funded by such Lender, funded at such rate.

3.6 Mitigation of Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Installation. If any Lender requests compensation under Section 3.4, or requires any Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.1, or if any Lender gives a notice pursuant to Section 3.2, then at the request of Visa Inc. such Lender shall use reasonable efforts to designate a different Lending Installation for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Sections 3.1 or 3.4, as the case may be, in the future or eliminate the need for the notice pursuant to Section 3.2, as applicable and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrowers hereby agree to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.4, or if any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.1 and, in each case, such Lender has declined or is unable to designate a different Lending Installation in accordance with Section 3.6(a), Visa Inc. may replace such Lender in accordance with Section 2.27.

3.7 Matters Applicable to all Requests for Compensation.

(a) Certificates for Reimbursement. If any Lender becomes entitled to claim any indemnified amounts, additional amounts, or compensation pursuant to Sections 3.1(c)(i), 3.4 or 3.5, it shall promptly deliver a certificate (with a copy to the Administrative Agent) to Visa Inc. or applicable Borrower setting forth, in reasonable detail, the indemnified amount or amounts, the additional amount or amounts, or the compensation to be paid to it hereunder and the basis and calculation thereof shall be conclusive in the absence of manifest error. The Borrowers or applicable Borrower shall pay such Lender the amount shown as due on any such certificate within 20 days after receipt thereof.

(b) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to the provisions of Section 3.4 shall not constitute a waiver of such Lender's right to demand such compensation, *provided* that no Borrower shall be required to compensate a Lender pursuant to Section 3.4 for any increased costs incurred or reductions suffered more than 180 days prior to the date that such Lender notifies Visa Inc. or applicable Borrower of the Change in Law giving rise to such increased

costs or reductions and of such Lender's intention to claim compensation therefor if such increased costs or reductions would not have been imposed absent such failure or delay on the part of the Lender to notify the applicable Borrower within the 180-day period; *provided, further*, that if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof; and *provided, further*, that no Lender shall claim any compensation pursuant to Section 3.4 unless such Lender is generally seeking similar compensation from similarly situated borrowers under agreements relating to similar credit transactions that include provisions similar to Section 3.4 and the compensation claimed pursuant to Section 3.4 is not in a disproportionate amount to the compensation sought from such similarly situated borrowers.

3.8 Survival. All obligations of the Borrowers under this Article III shall survive termination of the Commitments, repayment of all other Obligations hereunder and any resignation of the Administrative Agent.

ARTICLE IV - CONDITIONS PRECEDENT

4.1 Conditions to Closing Date. The occurrence of the Closing Date is subject to the conditions precedent that (a) there shall not have occurred a material adverse change since September 30, 2018 in the business, properties, financial condition or results of operations of Visa Inc. and its Subsidiaries taken as a whole and (b) the Administrative Agent shall have received (i) if any loans are outstanding under the Existing Agreement and if the Commitments of the Lenders hereunder differ from the commitments under the Existing Agreement, evidence that all amounts payable by the applicable Borrowers under the Existing Agreement have been (or concurrently with the making of the initial Loans will be) paid in full and the commitments of the lenders under the Existing Agreement have been (or concurrently with the making of the initial Loans will be) terminated, (ii) for the account of each Lender, any upfront fees previously agreed to between the applicable Borrowers and the Lenders, (iii) for the account of the Administrative Agent and the Arrangers, all fees which are then due and payable pursuant to the Fee Letters and (iv) each of the following items, each of which shall be originals or telecopies and/or .pdfs (followed promptly by originals, if applicable) unless otherwise specified and each dated the Closing Date (except for any Beneficial Ownership Certification required to be delivered under clause (I) below or in the case of certificates of governmental officials, a recent date before the Closing Date):

(A) The certificate of incorporation of each Borrower, together with all amendments, and, other than in the case of VEL, a certificate of good standing issued by the state of its incorporation, each certified by the appropriate governmental officer in its jurisdiction of incorporation.

(B) A certificate of the Chief Financial Officer, the Controller, the Secretary or the Assistant Secretary of each Borrower or, in the case of VEL, a certificate of a director, as to the by-laws or articles of association (as applicable) of such Borrower and resolutions of the Board of Directors of such Borrower (and any required resolutions or actions of any other body of such Borrower) authorizing the borrowings hereunder and the consummation of the transactions contemplated hereby.

(C) An incumbency certificate, executed by the Secretary or Assistant Secretary of each Borrower or, in the case of a VEL, executed by a director, which shall identify by name and title and bear the signatures of Authorized Officers and other officers, if applicable, of such Borrower authorized to sign the Loan Documents to which such Borrower is a party, upon which certificate the Administrative Agent and each Lender shall be entitled to rely until informed of any change in writing by such Borrower.

(D) A certificate, signed by the Chief Financial Officer, the Controller or the Treasurer of Visa Inc., stating that on the Closing Date no Default or Event of Default has occurred and is continuing.

(E) The written opinion of the Borrowers' counsel, addressed to the Administrative Agent and the Lenders in customary form reasonably acceptable to the Administrative Agent.

(F) The written opinion of Davis Polk & Wardwell London LLP, counsel to the Borrowers, as to matters of English law, addressed to the Administrative Agent and the Lenders in customary form reasonably acceptable to the Administrative Agent.

(G) Any Note requested by a Lender pursuant to Section 2.17 payable to such requesting Lender and executed by an Authorized Officer of each Borrower.

(H) Borrower details forms, in form reasonably acceptable to the Administrative Agent, addressed to the Administrative Agent and signed by two Authorized Officers of each Borrower, together with such other related money transfer authorizations as the Administrative Agent may have reasonably requested.

(I) Beneficial Ownership Certifications in relation to each Borrower to the extent a Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation and any other "know-your-customer" materials, to the extent reasonably requested in writing at least ten business days prior to the Closing Date.

(J) Such other approvals, opinions or documents as the Administrative Agent may reasonably request.

Without limiting the generality of the provisions of the last paragraph of Section 10.3, for purposes of determining compliance with the conditions specified in this Section 4.1, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.2 Initial Loan to Each Designated Borrower. The obligation of each Lender to make an initial Loan to each Designated Borrower is subject to the receipt by the Administrative Agent on or before the date of such initial Advance of each of the following items, each of which shall be originals or telecopies and/or .pdfs (followed promptly by originals, if applicable) unless otherwise specified and each dated the date such Designated Borrower became a party hereto in accordance with Section 2.24 (or, in the case of certificates of governmental officials, a recent date before such date):

(A) The certificate of incorporation of such Designated Borrower, together with all amendments, and, if applicable, a certificate of good standing issued by the state of its incorporation, each certified by the appropriate governmental officer in its jurisdiction of incorporation.

(B) A certificate of the Chief Financial Officer, the Controller, the Secretary or the Assistant Secretary of such Designated Borrower or, in the case of a Designated Borrower incorporated under the laws of England and Wales a certificate of a director, as to the by-laws or articles of association (as applicable) of such Designated Borrower and resolutions of the Board of Directors of such Designated Borrower (and any required resolutions or actions of any other

body of such Designated Borrower) authorizing the borrowings hereunder and the consummation of the transactions contemplated hereby.

(C) An incumbency certificate, executed by the Secretary or Assistant Secretary of such Designated Borrower or, in the case of a Designated Borrower incorporated under the laws of England and Wales, executed by a director, which shall identify by name and title and bear the signatures of Authorized Officers and other officers, if applicable, of such Designated Borrower authorized to sign the Loan Documents to which such Designated Borrower is a party, upon which certificate the Administrative Agent and each Lender shall be entitled to rely until informed of any change in writing by such Designated Borrower.

(D) The written opinion of counsel to such Designated Borrower, addressed to the Administrative Agent and the Lenders in customary form reasonably acceptable to the Administrative Agent.

(E) A Designation Agreement duly executed by such Designated Borrower and Visa Inc.

(F) Any Note requested by a Lender pursuant to Section 2.17 payable to such requesting Lender and executed by an Authorized Officer of such Designated Borrower.

(G) Borrower details forms, in form reasonably acceptable to the Administrative Agent, addressed to the Administrative Agent and signed by two Authorized Officers of each Borrower, together with such other related money transfer authorizations as the Administrative Agent may have reasonably requested.

(H) All information requested by Lenders in respect of “know your customer” or other identification and customary due diligence procedures in accordance with Section 2.24(a) and such other approvals, opinions or documents as the Administrative Agent (in consultation with the Lenders) may reasonably request.

4.3 Each Revolving Advance or Swing Loan. No Lender shall be required to make any Revolving Loan or Swing Loan (other than with respect to any continuation or conversion of a Revolving Loan pursuant to a Conversion/Continuation Notice) unless on the applicable Borrowing Date:

(a) There exists no Default or Event of Default.

(b) The representations and warranties contained in Article V (other than Sections 5.5 and 5.7, unless such Borrowing Date is the Closing Date) are true and correct in all material respects (or, in the case of any such representation or warranty already qualified as to materiality, in all respects) as of such Borrowing Date except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (or, in the case of any such representation or warranty already qualified as to materiality, in all respects) on and as of such earlier date.

(c) The Administrative Agent shall have received a Revolving Advance Borrowing Notice or a Swing Loan Borrowing Notice, as applicable.

(d) If the applicable Borrower is a Designated Borrower, then the conditions of Section 2.24 to the designation of such Borrower as a Designated Borrower shall have been met.

Each Revolving Advance Borrowing Notice, with respect to any Revolving Advance, and each Swing Loan Borrowing Notice, with respect to a Swing Loan, shall constitute a representation and warranty by Visa Inc. and the applicable Borrower that the conditions contained in Sections 4.3(a) and (b) have been satisfied.

ARTICLE V - REPRESENTATIONS AND WARRANTIES

Visa Inc. represents and warrants to the Lenders that:

5.1 Existence and Standing. Each Borrower is a corporation duly organized, validly existing and, to the extent such concept is applicable in the relevant jurisdiction, in good standing under the Laws of the jurisdiction of its organization.

5.2 Authorization and Validity. The execution, delivery and performance by each Borrower of the Loan Documents, and the consummation of the transactions contemplated hereby, are within such Borrower's corporate or other applicable organizational powers and have been duly authorized by all necessary corporate or other applicable organizational action. The Loan Documents to which each Borrower is a party constitute legal, valid and binding obligations of such Borrower enforceable against such Borrower in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or similar Laws affecting the enforcement of creditors' rights generally and by general principles of equity.

5.3 No Conflict; Government Consent. Neither the execution and delivery by any Borrower of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (a) any Law, rule, regulation, order, writ, judgment, injunction, decree or award binding on such Borrower or any of its Subsidiaries that would reasonably be expected to have a Material Adverse Effect, (b) such Borrower's articles or certificate of incorporation, partnership agreement, certificate of partnership, articles or certificate of organization, bylaws or operating or other similar governing document, as the case may be or (c) the provisions of any material indenture, instrument or agreement to which such Borrower or any of its Subsidiaries is a party or is subject, or by which it, or its Property, is bound, or conflict with or constitute a default thereunder, or result in, or require, the creation or imposition of any Lien on the Property of such Borrower or any of its Subsidiaries pursuant to the terms of any such material indenture, instrument or agreement, in each case, that would reasonably be expected to have a Material Adverse Effect. No order, consent, adjudication, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any Governmental Authority, which has not been obtained by each applicable Borrower or any of its Subsidiaries, is required to be obtained by such Borrower or any of its Subsidiaries in connection with the execution and delivery of the Loan Documents, the borrowings under this Agreement, the payment and performance by such Borrower of the Obligations or the legality, validity, binding effect or enforceability of any of the Loan Documents, except to the extent the failure to obtain any such order, consent, adjudication, approval, license, authorization or validation of, or filing, recording or registration, or exemption would not reasonably be expected to have a Material Adverse Effect.

5.4 Financial Statements. The September 30, 2018 audited consolidated financial statements of Visa Inc. (which do not contain a "going concern" or like qualification or exception), heretofore delivered or otherwise made available to the Lenders, were prepared in accordance with generally accepted accounting principles in effect on the date such statements were prepared and fairly present in all material respects the consolidated financial condition and operations of Visa Inc. and its Subsidiaries at such date and the consolidated results of their operations for the periods then ended.

5.5 Material Adverse Change. Except as disclosed in Schedule 5.7 hereto and except with respect to any settlement loss relating to or in connection with Section 9.01 of Visa International's By-Laws and similar provisions in the By Laws and operating regulations of Visa, Inc. and its Subsidiaries incurred during such period due to the failure of a member bank which will be recovered pursuant to a recovery plan which has been adopted by the Board of Directors of Visa International or the Board of Directors of any regional affiliate of Visa Inc., including but not limited to the Board of Directors of Visa U.S.A. Inc., since September 30, 2018 there has been no change in the business, Property, financial condition or results of operations of Visa Inc. and its Subsidiaries that would reasonably be expected to have a Material Adverse Effect.

5.6 Taxes. Each Borrower and its Subsidiaries have filed all United States federal and other material tax returns which are required to be filed and have paid all taxes thereunder which are due and payable, including interest and penalties, except (a) any that are being contested in good faith by appropriate proceeding and for which adequate reserves have been established by such Borrower or its applicable Subsidiary (to the extent required by GAAP) or (b) where failure to do so would, individually or in the aggregate, not reasonably be expected to have a Material Adverse Effect.

5.7 Litigation. Except as disclosed in Schedule 5.7 hereto, there is no pending or threatened (in writing) action, suit, investigation, litigation or proceeding affecting any Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator that would reasonably be expected to have a Material Adverse Effect.

5.8 Beneficial Ownership Certification. As of the Closing Date, to the knowledge of the applicable Borrower, the information included in the Beneficial Ownership Certification of such Borrower (to the extent required to be delivered hereunder) is true and correct in all respects.

5.9 Accuracy of Information. The information, exhibit or report furnished by any Borrower or any of its Subsidiaries to the Administrative Agent or to any Lender in connection with the Loan Documents, taken as a whole, is correct in all material respects and does not, taken as a whole, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements were made.

5.10 Regulation U. No Borrower is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U) and no proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock in violation of the regulations of the Federal Reserve Board. Following the application of the proceeds of any Revolving Advance, not more than 25% of the value of the assets of any Borrower or of any Borrower and its Subsidiaries on a consolidated basis will be margin stock.

5.11 OFAC and Anti-Corruption Laws. (a) Each Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by such Borrower, its Subsidiaries and their respective directors, officers, employees and agents with any economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, any applicable foreign government, or any agency thereof, including those administered by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom ("Sanctions") and any Laws concerning or relating to anti-bribery or anti-corruption; (b) no Borrower or any Subsidiary thereof nor, to the knowledge of any Borrower, any director, officer, employee or agent of any Borrower or any Subsidiary thereof is a Sanctioned Person or is in violation of any applicable Sanctions or any anti-bribery or anti-corruption Laws; and (c) no Borrower will use the proceeds of the

Loans in violation of applicable Sanctions or any Laws concerning or relating to anti-bribery or anti-corruption.

5.12 Compliance With Laws. Each Borrower and its Subsidiaries have complied with all applicable material Laws of any United States or foreign Governmental Authority having jurisdiction over the conduct of their respective businesses or the ownership of their respective Property, noncompliance with which would reasonably be expected to have a Material Adverse Effect.

5.13 Ownership of Properties. Except as would not reasonably be expected to have a Material Adverse Effect, on the date of this Agreement, Visa Inc. or one of its Subsidiaries has good title, free of all Liens other than those permitted by Section 6.11, to all of their Property and assets.

5.14 Plan Assets; Prohibited Transactions. No Borrower is an entity deemed to hold “plan assets” within the meaning of 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA, of an employee benefit plan (as defined in Section 3(3) of ERISA) which is subject to Title I of ERISA or any plan (within the meaning of Section 4975 of the Code), and neither the execution of this Agreement nor the making of Loans hereunder gives rise to a prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Code.

5.15 Environmental Matters. Neither any Borrower nor any Material Subsidiary has any liability under applicable Environmental Laws that would reasonably be expected to have a Material Adverse Effect. Neither any Borrower nor any of its Subsidiaries has received any written notice to the effect that its operations are not in material compliance with any of the requirements of applicable Environmental Laws or are the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which noncompliance or remedial action would reasonably be expected to have a Material Adverse Effect.

5.16 Investment Company Act. Neither any Borrower nor any of its Subsidiaries is an “investment company” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act of 1940.

5.17 ERISA. No ERISA Event has occurred, and no Borrower or any ERISA Affiliate is aware of any fact, event or circumstance that would reasonably be expected to constitute or result in an ERISA Event with respect to any Plan, in each case, which would reasonably be expected to have a Material Adverse Effect. Each Borrower and each ERISA Affiliate have met all applicable requirements under the Pension Funding Rules in respect of each Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained. The excess, if any, of the present value of all accrued benefits under each Plan (based on those assumptions used to fund such Plan), as of the last annual valuation date prior to the date on which this representation is made or deemed made, over the value of the assets of such Plan allocable to such accrued benefits would not reasonably be expected to have a Material Adverse Effect. No Plan to which any Borrower or any ERISA Affiliate contributes is a multiemployer plan (within the meaning of Section 3(37) of ERISA). Each Plan is and has been in all material respects operated and administered in accordance with its provisions and applicable law. No Unfunded Liabilities under ERISA exist with respect to any Plan, which such Unfunded Liabilities would reasonably be expected to have a Material Adverse Effect.

5.18 Financial Institution. No Borrower is an EEA Financial Institution.

ARTICLE VI - COVENANTS

During the term of this Agreement, unless the Required Lenders shall otherwise consent in writing:

6.1 Financial Reporting. Visa Inc. will furnish or cause to be furnished to the Administrative Agent (for distribution to the Lenders):

(a) within 50 days after the end of each of the first three quarters of each fiscal year of Visa Inc., a consolidated balance sheet of Visa Inc. and its Subsidiaries as of the end of such quarter and consolidated statements of income and of cash flows of Visa Inc. and its Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, all in reasonable detail and duly certified (subject to year-end audit adjustments and absence of footnotes) by an Authorized Officer as having been prepared in accordance with GAAP;

(b) within 90 days after the end of each fiscal year of Visa Inc., a copy of the annual audit report for such year for Visa Inc. and its Subsidiaries (and, if its fiscal year-end financial statements are then being audited, of each of Visa International, Visa U.S.A., VEL and their respective Subsidiaries), containing a consolidated balance sheet of such Borrower and its Subsidiaries as of the end of such fiscal year and consolidated statements of income and of cash flows of such Borrower and its Subsidiaries for such fiscal year reported on without a “going concern” or like qualification or exception, or qualification arising out of the scope of the audit, by KPMG LLP or other independent certified public accountants of nationally recognized standing in accordance with generally accepted auditing standards;

(c) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the holders of the equity interests of Visa Inc. and copies of all annual, regular, periodic and special reports and registration statements which Visa Inc. files with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934 and not otherwise required to be delivered to the Lenders pursuant hereto;

(d) promptly and in any event within 10 Business Days after any Borrower or any ERISA Affiliate knows or has reason to know that any ERISA Event has occurred, a statement of an Authorized Officer of such Borrower describing such ERISA Event;

(e) promptly after any Borrower receives notice thereof, notice of all actions, suits and proceedings before any Governmental Authority affecting such Borrower or any of its Subsidiaries that would reasonably be expected to have a Material Adverse Effect;

(f) promptly after any change in, or withdrawal of, Visa Inc.’s Moody’s Rating or S&P Rating, written notice of such change or withdrawal;

(g) promptly after the occurrence thereof, written notice of any material change in accounting policies or financial reporting practices by Visa Inc. or any of its Subsidiaries (except as required by GAAP, which material changes will be described in the financial statements reflecting such material changes); and

(h) such other information respecting the condition or operations, financial or otherwise, of any Borrower or any of its Subsidiaries as any Lender through the Administrative Agent may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.1(a), (b) or (c) (to the extent any such documents are included in materials otherwise filed with the Securities and Exchange Commission) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Visa Inc. (or its representative or designee) notifies the Administrative Agent (by electronic mail or otherwise) of the filing of the document with the Securities and Exchange Commission, (ii) on which Visa Inc. posts such documents, or provides a link thereto, on Visa Inc.’s website on the Internet or (iii) on which such documents are posted on Visa Inc.’s behalf on an Internet or intranet website, if any, to which each Lender

and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that (x) paper copies of documents to be delivered pursuant to Section 6.1(a) or (b) shall be delivered to any Lender that requests the delivery of such paper copies until a written request to cease delivering paper copies is given by such Lender and (y) Visa Inc. shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents or the filing of documents with the Securities and Exchange Commission and shall provide to the Administrative Agent by electronic mail electronic versions or links to electronic versions (i.e., soft copies) of such documents.

Each Borrower hereby acknowledges that (i) the Administrative Agent and/or the Arrangers will make available to the Lenders materials and/or information provided by or on behalf of the any Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks, Syndtrak, ClearPar or a substantially similar electronic transmission system (the "Platform") and (ii) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrowers or their Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. Each Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof (it being understood that documents filed with the Securities and Exchange Commission shall be deemed to be "PUBLIC" and shall not be required to be so marked); (x) by marking Borrower Materials "PUBLIC," such Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as either publicly available information or not material information (although it may be sensitive and proprietary) with respect to such Borrower or its securities for purposes of United States Federal and state securities Laws; (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Investor."

6.2 Use of Proceeds. Each Borrower will, and will cause each of its Subsidiaries to, use the proceeds of the Loans only (a) to refinance existing Indebtedness, (b) to ensure the integrity of the settlement process of such Borrower and its Subsidiaries in the event of a settlement failure by a member and (c) for general corporate purposes not in contravention of any Laws.

6.3 Notice of Default. Each Borrower will notify (or cause another Borrower to notify) the Administrative Agent promptly, and in any event within five Business Days after any Authorized Officer of such Borrower has knowledge thereof, of the occurrence of any Default or Event of Default.

6.4 Conduct of Business. Each Borrower will, and will cause each of its Material Subsidiaries to: (a) carry on and conduct its business in substantially the same fields of enterprise as it is presently conducted;(b) except as permitted by Section 6.10, do all things necessary to remain duly incorporated or organized, validly existing and (to the extent such concept applies to such entity) in good standing as a corporation, partnership or limited liability company in its jurisdiction of incorporation or organization, as the case may be; and (c) except where failure to do so would not reasonably be expected to have a Material Adverse Effect, take commercially reasonable steps to maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

6.5 Taxes. Each Borrower will, and will cause each of its Subsidiaries to, timely file (taking into account any timely extensions to file) complete and correct United States federal and applicable foreign, state and local tax returns required by law and pay when due all taxes, assessments and governmental charges and levies upon it or its income, profits or Property, except (a) those which are being contested in

good faith by appropriate proceedings and with respect to which adequate reserves have been set aside in accordance with GAAP (to the extent required thereby) or (b) where failure to do so would, individually or in the aggregate, not reasonably be expected to have a Material Adverse Effect.

6.6 Insurance. Each Borrower will maintain, and cause each of its Subsidiaries to maintain, insurance coverage of a type reasonable and customary for companies of similar size and engaged in similar businesses and in amounts reasonably deemed by such Borrower to be adequate.

6.7 Compliance with Laws. Each Borrower will, and will cause each of its Subsidiaries to, comply with all applicable Laws, except to the extent failure to so comply could not, individually or in the aggregate for all such failures, reasonably be expected to have a Material Adverse Effect.

6.8 Maintenance of Properties. Each Borrower will, and will cause each of its Subsidiaries to, do all things necessary to maintain, preserve, protect and keep its Property in good repair, working order and condition, and make all necessary and proper repairs, renewals and replacements so that its business carried on in connection therewith may be properly conducted at all times, in each case except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

6.9 Inspection. Upon reasonable advance notice, during normal business hours and with such frequency as may be reasonably requested (but not more than once per fiscal year unless an Event of Default exists), each Borrower will, and will cause each of its Subsidiaries to, permit the Administrative Agent and the Lenders, by their respective representatives and agents, to inspect any of the Property, books and financial records of such Borrower and its Subsidiaries, to examine and make copies of the books of accounts and other financial records of such Borrower and its Subsidiaries, and to discuss the affairs, finances and accounts of such Borrower and its Subsidiaries with their respective officers, all at the individual expense of the Administrative Agent and the Lenders; *provided, however*, that if an Event of Default has occurred and is continuing, the Administrative Agent and the Lenders (coordinated through the Administrative Agent) may exercise their rights under this Section at the expense of the Borrowers. Notwithstanding anything to the contrary in this Section 6.9, none of any Borrower or any of its Subsidiaries will be required to disclose, permit the inspection, examination or making of extracts, or discussion of, any documents, information or other matter that (a) in respect of which disclosure to Administrative Agent (or any designated representative or agent or employee) or any Lender is then prohibited by law or (b) is subject to attorney client or similar privilege or constitutes attorney work product.

6.10 Mergers, Etc. No Borrower will, nor will it permit any of its Subsidiaries to, merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets of such Borrower and its Subsidiaries taken as a whole (whether now owned or hereafter acquired) to, any Person, unless, immediately after giving effect to such proposed transaction, no Default or Event of Default would exist and in the case of any such merger to which such Borrower is a party, either (a) a Borrower is the surviving corporation (provided that if Visa Inc. is a party to such merger, Visa Inc. is the surviving corporation) or (b) the Person into which a Borrower shall be merged or formed by any such consolidation shall be organized under the laws of a jurisdiction in the United States or the jurisdiction of organization of such Borrower and assume such Borrower's obligations hereunder and under the Notes, if any, in an agreement or instrument reasonably satisfactory in form and substance to the Administrative Agent; provided that, mergers otherwise permitted by this Section shall be permitted only if a Change of Control does not result therefrom.

6.11 Liens. No Borrower will, nor will it permit any of its Subsidiaries to, create, incur, assume or suffer to exist, unless such Borrower's obligations under this Agreement and the Notes are secured equally and ratably therewith, any Lien on or with respect to any of its properties of any character (including,

without limitation, accounts) whether now owned or hereafter acquired, excluding from the operation of the foregoing restrictions the following:

(a) materialmen's, suppliers', tax and other similar Liens arising in the ordinary course of business as presently conducted securing obligations which are not overdue or are being contested in good faith by appropriate proceedings;

(b) Liens arising in the ordinary course of business as presently conducted in connection with leases, workmen's compensation, unemployment insurance, appeal and release bonds, purchase money security interests and other Liens incidental to the conduct of its business or the operation of its property or its assets;

(c) Liens on real estate, buildings or equipment so long as the Indebtedness secured by such Liens does not exceed U.S.\$500,000,000, in the aggregate, for Visa Inc. and its Subsidiaries;

(d) Liens granted on financial assets to secure risk and funding management transactions entered into in the ordinary course of business and on commercially reasonable terms negotiated on an arms-length basis, including but not limited to, reverse repurchase agreements, hedging transactions, securities lending transactions and securitization transactions involving royalty or other similar payment streams; and

(e) other Liens securing obligations not in excess of the greater of an amount equal to (i) U.S.\$1,500,000,000 or (ii) four percent (4%) of the total assets of Visa Inc. and its consolidated Subsidiaries, determined in accordance with GAAP, as of the end of the then most recently ended fiscal quarter for which financial statements are available;

provided that notwithstanding the foregoing provisions of this Section 6.11, no Borrower shall create, incur, assume or suffer to exist, or permit any of its Subsidiaries to create, incur, assume or suffer to exist, any Lien on or with respect to any shares of stock of any of its Subsidiaries.

6.12 Books and Records. Each Borrower will, and will cause each of its Subsidiaries to, maintain proper books of record and account, in which entries true and correct in all material respects and in conformity with GAAP consistently applied shall be made of all material financial transactions and matters involving the assets and business of such Borrower and its Subsidiaries.

ARTICLE VII - EVENTS OF DEFAULT

The occurrence of any one or more of the following events shall constitute an Event of Default:

7.1 Any representation or warranty made by Visa Inc. or any Borrower in connection with this Agreement shall prove to be incorrect in any material respect when made.

7.2 Nonpayment of principal of any Loan when due, or nonpayment of interest upon any Loan or of any commitment fee or other obligation under any of the Loan Documents within five Business Days after the same becomes due.

7.3 (a) The breach by any Borrower of any of the terms or provisions contained in Section 6.2, 6.3, 6.4(b) (solely as such section relates to any Borrower's valid existence), 6.10 or 6.11 or (b) the failure by any Borrower to perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for 30 days after written

notice thereof shall have been given to such Borrower by the Administrative Agent or any Lender (with a copy to the Administrative Agent).

7.4 Any Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Indebtedness of, or guaranteed by, such Borrower or such Subsidiary that is outstanding in a principal amount of at least U.S.\$300,000,000 in the aggregate (but excluding Indebtedness outstanding hereunder), when the same becomes due and payable by such Borrower or such Subsidiary (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness; or any Borrower or any of its Subsidiaries fails to observe or perform any other agreement or instrument relating to any such Indebtedness and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure is to accelerate the maturity of such Indebtedness; or any such Indebtedness shall be declared to be due and payable, or required to be prepaid or redeemed (other than by a regularly scheduled required prepayment or redemption), purchased or defeased, or an offer to prepay, redeem, purchase or defease such Indebtedness shall be required to be made, in each case prior to the stated maturity thereof.

7.5 Any Borrower or any of its Material Subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or any proceedings shall be instituted by or against such Borrower or any of its Material Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any Law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its Property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 90 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its Property) shall occur; or any Borrower or any of its Material Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this Section 7.5.

7.6 Any final, nonappealable judgment or order for the payment of money in excess of U.S.\$300,000,000 (excluding any portion thereof paid or covered by insurance so long as coverage has not been denied) on a claim or claims shall be rendered against any Borrower or any of its Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order on or after the date any payment is due and payable under the terms of such judgment or order and shall not have been stayed within 60 days after such enforcement proceedings are commenced or (ii) there is a period of 60 consecutive days during which such judgments or orders shall not have been paid, vacated, discharged, stayed or bonded.

7.7 Any ERISA Event shall have occurred with respect to a Plan which is reasonably likely to result in liability, individually or in the aggregate with any other ERISA Events, that has resulted in or could reasonably be expected to result in a Material Adverse Effect; and such ERISA Event shall remain uncured for 60 days after the occurrence thereof.

7.8 Any material provision of Article XI shall be declared to be unenforceable by a court of competent jurisdiction or any Borrower (or any Person acting on behalf of any Borrower) shall contest the enforceability of any material provision of Article XI.

7.9 A Change of Control occurs.

ARTICLE VIII - ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

8.1 Acceleration. (a) If any Event of Default described in Section 7.5 occurs with respect to any Borrower, the obligations of the Lenders to make Loans hereunder shall automatically terminate and the Obligations shall immediately become due and payable without any election or action on the part of the Administrative Agent or any Lender. If any other Event of Default occurs, the Required Lenders (or the Administrative Agent with the written consent of the Required Lenders) may terminate or suspend the obligations of the Lenders to make Loans hereunder, or declare the Obligations to be due and payable, or both, whereupon the Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which each Borrower hereby expressly waives.

(a) If, within 30 days after acceleration of the maturity of the Obligations or termination of the obligations of the Lenders to make Loans hereunder as a result of any Event of Default (other than any Event of Default as described in Section 7.5 with respect to any Borrower) and before any judgment or decree for the payment of the Obligations due shall have been obtained or entered, the Required Lenders (in their sole discretion) shall so direct, the Administrative Agent shall, by notice to the Borrowers, rescind and annul such acceleration and/or termination.

8.2 Amendments. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by any Borrower therefrom, shall be effective unless in writing signed by the Required Lenders (or the Administrative Agent with the consent of the Required Lenders) and Visa Inc., and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided*, however, that no such amendment, waiver or consent shall:

- (a) waive any condition set forth in Section 4.1 without the written consent of each Lender;
- (b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.1, other than as provided for in Section 8.1) without the written consent of such Lender; *provided* that the Swing Commitment of any Swing Lender may be increased with the consent of only the Borrowers and such Swing Lender;
- (c) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;
- (d) reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to *subclause (iii)* of the second proviso to this Section 8.2) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; *provided*, however, that only the consent of the Required Lenders shall be necessary to amend Section 2.14 or waive any obligation of any Borrower to pay interest as set forth in Section 2.14;
- (e) change Section 12.2 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;
- (f) change the definition of "Pro Rata Share" without the written consent of each Lender directly affected thereby;
- (g) change Section 1.6 or the definition of "Agreed Currency" without the written consent of each applicable Revolving Lender;
- (h) release Visa Inc. from liability under the Guarantee without the written consent of each Revolving Lender; or
- (i) change any provision of this Section or the definition of "Required Lenders" or any other provision or definition hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender,

and, *provided*, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the affected Swing Lender in addition to the Lenders required above, affect the rights or duties of such Swing Lender under this Agreement, (ii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document, (iii) the Fee Letters may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto and (iv) Schedule 1 may be amended by the Administrative Agent as provided in the last sentence of Section 13.3.1 or to otherwise give effect to amendments or modifications effected pursuant hereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

8.3 Preservation of Rights. No delay or omission of any Lender or the Administrative Agent to exercise any right under any Loan Document shall impair such right or be construed to be a waiver of any Event of Default or an acquiescence therein, and the making of a Loan notwithstanding the existence of an Event of Default or the inability of any Borrower to satisfy the conditions precedent to such Loan shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by the Lenders required pursuant to Section 8.2, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Administrative Agent and the Lenders until the Obligations have been paid in full.

ARTICLE IX - GENERAL PROVISIONS

9.1 Survival of Representations. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or Event of Default at the time of any Revolving Advance or Swing Loan, and shall continue in full force and effect as long as any Revolving Advance, Swing Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

9.2 Headings. Section headings in the Loan Documents are for convenience of reference only and shall not govern the interpretation of any of the provisions of the Loan Documents.

9.3 Entire Agreement. The Loan Documents embody the entire agreement and understanding among the Borrowers, the Administrative Agent and the Lenders and supersede all prior agreements and understandings among the Borrowers, the Administrative Agent and the Lenders relating to the subject matter thereof.

9.4 Several Obligations; Benefits of this Agreement. The respective obligations of the Lenders hereunder are several and not joint and no Lender shall be the partner or agent of any other (except to the extent to which the Administrative Agent is authorized to act as such). The failure of any Lender to perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties to this Agreement and their respective successors and assigns; *provided* that the parties hereto expressly agree that each Arranger shall enjoy the benefits of the provisions of Sections 9.5, 9.8 and 10.7 to the extent specifically set forth therein and shall have the right to enforce such provisions on its own behalf and in its own name to the same extent as if it were a party to this Agreement.

9.5 Expenses; Indemnification. (a) Each Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Arrangers and the Administrative Agent and each Related Party of any of the foregoing Persons (in the case of fees and charges of counsel, limited to the reasonable and documented fees, charges and disbursements of one counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable out-of-pocket expenses incurred by the Administrative Agent or any Lender (including the documented fees, charges and disbursements of any counsel for the Administrative Agent or any Lender), and shall pay all reasonable fees and time charges for attorneys who may be employees of the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section or (B) in connection with the Loans made hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(a) Each Borrower shall indemnify the Arrangers, the Administrative Agent (and any sub-agent thereof), each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related out-of-pocket expenses (including, without limitation, the reasonable fees, charges and disbursements of one counsel for the Indemnitees, unless the Indemnitees have conflicting interests that cannot reasonably be represented by one counsel, in which case such expenses shall include the reasonable fees, charges and disbursements of no more than such number of counsels as are necessary to represent such conflicting interests), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any Borrower arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or

instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of hazardous waste or substance on or from any Property owned or operated by any Borrower or any of its Subsidiaries, or any environmental liability related in any way to any Borrower or any of its Subsidiaries or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; *provided* that such

indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, (y) result from a claim brought by any Borrower against such Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if such Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction or (z) result from a claim brought by the Administrative Agent, an Arranger or a Lender (or any of their Related Parties) against the Administrative Agent, an Arranger or any other Lender (or any of their Related Parties) (other than in such Indemnitee's capacity as an agent or arranger or similar role) if such claim does not arise out of any act or omission of any Borrower. This Section 9.5(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, liabilities and related expenses arising from any non-Tax claim.

(b) To the extent that any Borrower for any reason fails to indefeasibly pay any amount required under *clause (a)* or *(b)* of this Section to be paid by it to the Arrangers, the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Arrangers, the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on the percentage that the aggregate Commitments of such Lender hereunder is of the aggregate Commitments of all Lenders, or, if all the Commitments have been terminated or have expired, the percentage that the aggregate principal amount of the Obligations owed (including by way of funded participations) to such Lender hereunder is of the aggregate principal amount of the Obligations owed (including by way of funded participations) to all the Lenders hereunder) of such unpaid amount; *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Arrangers in their capacity as such, the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Arrangers or the Administrative Agent (or any such sub-agent) in connection with such capacity; *provided* that nothing contained in this *clause (c)* shall limit the indemnification obligations of any Borrower set forth in *clause (b)* of this Section 9.5, and each Lender may exercise any rights or remedies arising by reason of any performance by it of its indemnification obligations hereunder, whether by subrogation, reimbursement, contribution or otherwise, against any Borrower. The obligations of the Lenders under this *clause (c)* are subject to the provisions of Section 2.15(e).

(c) To the fullest extent permitted by applicable law, each of the parties hereto shall not assert, and hereby waives, any claim against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof; *provided* that nothing contained in this *clause (d)* shall limit the indemnification obligations of any Borrower set forth in *clause (b)* of this Section 9.5, including such Borrower's obligation to indemnify each Indemnitee for special, indirect, consequential or punitive damages incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of the matters described in *clause (b)*. No Indemnitee referred to in *clause (b)* above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby except for damages arising out of the gross negligence, bad faith or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(e) The agreements in this Section shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of this Agreement and the repayment, satisfaction or discharge of the Obligations.

9.6 Non-reliance. Each Lender hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U) for the repayment of the Loans provided for herein.

9.7 Severability of Provisions. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 9.7, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by bankruptcy, insolvency or similar Laws affecting the enforcement of creditors' rights generally, as determined in good faith by the Administrative Agent or the Swing Lenders, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

9.8 Nonliability of Lenders. The relationship between each Borrower on the one hand and the Lenders and the Administrative Agent on the other hand shall be solely that of borrower and lender. None of the Administrative Agent, the Arrangers nor any Lender shall have any fiduciary responsibility to any Borrower. None of the Administrative Agent, the Arrangers nor any Lender undertakes any responsibility to any Borrower to review or inform any Borrower of any matter in connection with any phase of any Borrower's business or operations. Each Borrower agrees that the Administrative Agent shall not have liability to any Borrower (whether sounding in tort, contract or otherwise) for losses suffered by any Borrower in connection with, arising out of, or in any way related to, the transactions contemplated and the

relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless it is determined in a final non-appealable judgment by a court of competent jurisdiction that such losses resulted from the gross negligence, bad faith or willful misconduct of the party from which recovery is sought.

9.9 Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Confidential Information, except that Confidential Information may be disclosed (a) to its Affiliates (including the Arrangers) and to its and its Affiliates' (including the Arrangers') respective partners, directors, officers, employees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Confidential Information and instructed to keep such Confidential Information confidential and the disclosing party will be responsible for any breaches of this Section by such Persons), (b) to the extent requested (but only to the extent so requested) by any bank examiner or banking regulatory authority having jurisdiction over it or its Affiliates, or to the extent required (but only to the extent so required) by any other regulatory authority having jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required (but only to the extent so required) by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to a written agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction or securitization transaction relating to any Borrower and its obligations, (g) with the prior written consent of the applicable Borrower or (h) to the extent such Confidential Information (x) becomes publicly available other than as a result of a breach by it of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates (including the Arrangers) on a nonconfidential basis from a source other than the applicable Borrower or its Subsidiaries, Affiliates (including the Arrangers) or Related Parties, *provided* that such source is not known to the Administrative Agent or any Lender, after reasonable inquiry, to be bound by an obligation of confidentiality. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Administrative Agent and the Lenders in connection with the administration of this Agreement, the other Loan Documents, and the Commitments. The Administrative Agent and each of the Lenders agree that if any of them is requested or required, as applicable, to disclose Confidential Information pursuant to *clause (b) or (c)* above (other than to a bank examiner or banking regulatory authority having jurisdiction over it), they will, to the extent they may lawfully and practicably do so, prior to any disclosure, notify the applicable Borrower in writing and provide the applicable Borrower with copies of any such written request or demand so that the applicable Borrower may seek a protective order or other appropriate remedy or waive in writing compliance with the provisions of this Agreement to the extent necessary. The breach by the Administrative Agent or any Lender under this Section shall not be used by any Borrower as a defense to payment of, or the basis for set-off against or the failure to pay, any sums due hereunder.

9.10 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each Borrower acknowledges and agrees that: (i)(A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers and the Lenders are arm's-length commercial transactions between each Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders, on the other hand, (B) each Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate and (C) each Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii)(A) the Administrative Agent, the Arrangers and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not and will not be acting as, an advisor, agent or fiduciary for any Borrower or any of its Affiliates or any other Person and (B) none of the Administrative Agent, the Arrangers or the Lenders has any obligation to any Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of any Borrower and its Affiliates, and none of the Administrative Agent, the Arrangers or the Lenders has any obligation to disclose any of such interests to any Borrower or any of its Affiliates. To the fullest extent permitted by law, each Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby, except for claims involving the gross negligence or willful misconduct of the Administrative Agent, the Arrangers or the Lenders.

9.11 Disclosure. Each Borrower and each Lender hereby acknowledges and agrees that each Lender and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with any Borrower and its Affiliates.

9.12 Restatement of Existing Agreement. The Lenders which are parties to the Existing Agreement hereby waive the notice requirement set forth in the Existing Agreement for any prepayment on the Closing Date of loans outstanding under the Existing Agreement and agree that the Existing Agreement shall be amended and restatement as herein set forth on the Closing Date.

9.13 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound

by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

ARTICLE X - THE ADMINISTRATIVE AGENT

10.1 Appointment and Authority. Each of the Lenders hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and no Borrower shall have any rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

10.2 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

10.3 Exculpatory Provisions. The Administrative Agent and the Arrangers shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and the Administrative Agent’s duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent and the Arrangers:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent or the Arrangers are required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); *provided* that the Administrative Agent and the Arrangers shall not be required to take any action that, in their respective opinion or the opinion of their respective counsel, may expose the Administrative Agent or the Arrangers to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any bankruptcy, insolvency or similar Laws affecting the enforcement of creditors' rights generally or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any bankruptcy, insolvency or similar Laws affecting the enforcement of creditors' rights generally; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Borrower or any of its respective Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent, any Arranger or any of their respective Affiliates in any capacity.

Each of the Administrative Agent and the Arrangers shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent or the Arrangers shall believe in good faith shall be necessary, under the circumstances as provided in Sections 8.1 and 8.2) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent and the Arrangers shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given in writing to the Administrative Agent and the Arrangers by a Borrower or a Lender.

The Administrative Agent and the Arrangers shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or the Arrangers.

10.4 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed in good faith by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed in good faith by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

10.5 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent with reasonable care; provided that the Administrative Agent shall give Visa Inc. prior written notice of the delegation of any of its material duties to any such agent or sub-agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

10.6 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and Visa Inc. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the consent of Visa Inc. at all times other than during the existence of an Event of Default (which consent of Visa Inc. shall not be unreasonably withheld or delayed), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives

notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the “Resignation Effective Date”), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, provided that in no event shall any such successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to *clause (d)* of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to Visa Inc. and such Person remove such Person as Administrative Agent and, with the consent of Visa Inc. at all times other than during the existence of an Event of Default (which consent of Visa Inc. shall not be unreasonably withheld or delayed), appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the “Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor’s appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.1(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring or removed Administrative Agent’s resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 9.5 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (i) while the retiring or removed Administrative Agent was acting as Administrative Agent and (ii) after such resignation or removal for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

10.7 Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

10.8 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Arrangers, Syndication Agent, Documentation Agents or other agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender.

10.9 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding of any Borrower, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.10 and 9.5) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel and any other amounts due the Administrative Agent under Sections 2.10 and 9.5.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on

behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

10.10 Certain ERISA Matters. (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent and each Arranger and their respective Affiliates and not, for the avoidance of doubt, for the benefit of the Borrowers, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Revolving Advances, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Revolving Advances, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Revolving Advances, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Revolving Advances, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Revolving Advances, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers, that neither the Administrative Agent nor any Arranger or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender’s entrance into, participation in, administration of and performance of the Revolving Advances, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

As used in this Section, the following terms shall have the following meanings:

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

ARTICLE XI - GUARANTEE

Visa Inc. agrees, to induce the other parties to enter into this Agreement and for other valuable consideration, receipt of which is hereby acknowledged, as follows:

11.1 Guarantee. Visa Inc. hereby guarantees to the Lenders and the Administrative Agent the prompt payment in full when due (whether at stated maturity, by acceleration or otherwise) of the Guaranteed Obligations. Visa Inc. hereby further agrees that if any other Borrower shall fail to pay in full when due (whether at stated maturity, by acceleration or otherwise) any of the Guaranteed Obligations owing by it, Visa Inc. will promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations owing by any other Borrower, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal. This Section 11.1 is a continuing guaranty and is a guaranty of payment and is not merely a guaranty of collection and shall apply to all Guaranteed Obligations of each Borrower whenever arising.

11.2 Acknowledgments, Waivers and Consents. Visa Inc. agrees that its obligations under Section 11.1 shall, to the fullest extent permitted by applicable law, be primary, absolute, irrevocable and unconditional under any and all circumstances and that the guaranty therein is made with respect to any Guaranteed Obligations now existing or in the future arising. Without limiting the foregoing, to the fullest extent permitted by applicable law, Visa Inc. agrees that:

11.2.1 The occurrence of any one or more of the following shall not affect the enforceability or effectiveness of this Article XI in accordance with its terms or affect, limit, reduce, discharge or terminate the liability of Visa Inc., or the rights, remedies, powers and privileges of the Administrative Agent or any Lender, under this Section 11.2.1:

- (a) any modification or amendment (including without limitation by way of amendment, extension, renewal or waiver), or any acceleration or other change in the time for payment or performance of the terms of all or any part of the Guaranteed Obligations or any Loan Document, or any other agreement or instrument whatsoever relating thereto, or any modification of any Commitment;
- (b) any release, termination, waiver, abandonment, lapse or expiration, subordination or enforcement of the liability of any other guarantor of all or any part of the Guaranteed Obligations;
- (c) any application of the proceeds of any other guarantor (including without limitation the obligations of any other guarantor of all or any part of the Guaranteed Obligations) to all or any part of the Guaranteed Obligations in any such manner and to such extent as the Administrative Agent may determine;
- (d) any release of any other Person (including without limitation any other guarantor with respect to all or any part of the Guaranteed Obligations) from any personal liability with respect to all or any part of the Guaranteed Obligations;
- (e) any settlement, compromise, release, liquidation or enforcement, upon such terms and in such manner as the Administrative Agent may determine or as applicable law may dictate, of all or any part of the Guaranteed Obligations or any other guarantor of (including without limitation any letter of credit issued with respect to) all or any part of the Guaranteed Obligations;
- (f) any proceeding against any Borrower or any other guarantor of all or any part of the Guaranteed Obligations or any collateral provided by any other Person or the exercise of any rights, remedies, powers and privileges of the Administrative Agent and the Lenders under the Loan Documents or otherwise in such order and such manner as the Administrative Agent may determine, regardless of whether the Administrative Agent or the Lenders shall have proceeded against or exhausted any collateral, right, remedy, power or privilege before proceeding to call upon or otherwise enforce this Article XI;
- (g) the entering into such other transactions or business dealings with any Borrower, any Subsidiary or Affiliate of any Borrower or any other guarantor of all or any part of the Guaranteed Obligations as the Administrative Agent or any Lender may desire;
- (h) any law or regulation of any jurisdiction or any other event affecting any term of a guaranteed obligation or
- (i) all or any combination of any of the actions set forth in this Section 11.2.1.

11.2.2 The enforceability and effectiveness of this Article XI and the liability of Visa Inc., and the rights, remedies, powers and privileges of the Administrative Agent and the Lenders under this Article XI shall not be affected, limited, reduced, discharged or terminated, and Visa Inc. hereby expressly waives to the fullest extent permitted by law any defense now or in the future arising, by reason of:

- (a) the illegality, invalidity or unenforceability of all or any part of the Guaranteed Obligations, any Loan Document or any other

agreement or instrument whatsoever relating to all or any part of the Guaranteed Obligations;

(b) any disability or other defense with respect to all or any part of the Guaranteed Obligations (other than payment in full), including the effect of any statute of limitations that may bar the

enforcement of all or any part of the Guaranteed Obligations or the obligations of any such other guarantor;

(c) the illegality, invalidity or unenforceability of any security for or other guarantee (including without limitation any letter of credit) of all or any part of the Guaranteed Obligations or the lack of perfection or continuing perfection or failure of the priority of any Lien on any collateral for all or any part of the Guaranteed Obligations;

(d) the cessation, for any cause whatsoever, of the liability of any Borrower or any other guarantor with respect to all or any part of the Guaranteed Obligations (other than, subject to Section 11.3, by reason of the full payment of all Guaranteed Obligations);

(e) any failure of the Administrative Agent or any Lender to marshal assets in favor of any Borrower or any other Person (including any other guarantor of all or any part of the Guaranteed Obligations), to exhaust any collateral for all or any part of the Guaranteed Obligations, to pursue or exhaust any right, remedy, power or privilege it may have against any Borrower or any other guarantor of all or any part of the Guaranteed Obligations or any other Person or to take any action whatsoever to mitigate or reduce such or any other Person's liability, the Administrative Agent and the Lenders being under no obligation to take any such action notwithstanding the fact that all or any part of the Guaranteed Obligations may be due and payable and that any Borrower may be in default of its obligations under any Loan Document;

(f) any counterclaim, set-off or other claim which any Borrower or any other guarantor of all or any part of the Guaranteed Obligations has or claims with respect to all or any part of the Guaranteed Obligations;

(g) any failure of the Administrative Agent or any Lender or any other Person to file or enforce a claim in any bankruptcy or other proceeding with respect to any Person;

(h) any bankruptcy, insolvency, reorganization, winding-up or adjustment of debts, or appointment of a custodian, liquidator or the like of it, or similar proceedings commenced by or against any Person, including any discharge of, or bar or stay against collecting, all or any part of the Guaranteed Obligations (or any interest on all or any part of the Guaranteed Obligations) in or as a result of any such proceeding;

(i) any action taken by the Administrative Agent or any Lender that is authorized by this Section 11.2 or otherwise in this Article XI or by any other provision of any Loan Document or any omission to take any such action; or

(j) any other circumstance whatsoever (other than payment in full) that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor.

11.2.3 To the fullest extent permitted by law, Visa Inc. expressly waives, for the benefit of the Administrative Agent and the Lenders, (a) all diligence, promptness, presentment, demand for payment or performance, notices of nonpayment or nonperformance, protest, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever, (b) any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against any Borrower under any Loan Document or other agreement or instrument referred to herein or therein, or against any other Person under any other guarantee of, or security for, any of the Guaranteed Obligations, (c) all notices of acceptance of this Article XI or of the existence, creation, incurring or assumption of new or additional Guaranteed Obligations, (d) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal and (e) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties.

11.3 Reinstatement. The obligations of Visa Inc. under this Article XI shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Borrower in respect of the Guaranteed Obligations is rescinded or must otherwise be restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

11.4 Subrogation. Visa Inc. hereby agrees that, until the final payment in full of all Guaranteed Obligations and the expiration or termination of the Commitments under this Agreement, it shall not exercise any right or remedy arising by reason of any performance by it of its guarantee in Section 11.1, whether by subrogation, reimbursement, contribution or otherwise, against the other Borrowers or any other guarantor of any of the Guaranteed Obligations or any security for any of the Guaranteed Obligations.

11.5 Remedies. Visa Inc. agrees that, as between Visa Inc. and the Administrative Agent and the Lenders, the obligations of any Borrower under this Agreement, the Notes or any other Loan Documents may be declared to be forthwith due and payable as provided in Article VII (and shall be deemed to have become automatically due and payable in the circumstances provided in said Article VII) for purposes of Section 11.1, notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against any Borrower and that, in the event of such declaration (or such obligations being deemed to have become automatically due and payable), such obligations of any other Borrower shall forthwith become due and payable by

Visa Inc. for purposes of said Section 11.1.

11.6 Payments. All payments by Visa Inc. under this Article XI shall be made without deduction, set-off or counterclaim at the place specified in Section 2.15.

11.7 Solvency. Visa Inc. represents and warrants to the Administrative Agent and the Lenders that, as of the Closing Date, it is Solvent.

ARTICLE XII - SETOFF; RATABLE PAYMENTS

12.1 Setoff. In addition to, and without limitation of, any rights of the Lenders under applicable law, if any Borrower becomes insolvent, however evidenced, or any Event of Default under Section 7.2 occurs and is continuing, any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Indebtedness at any time held or owing by any Lender or any Affiliate of any Lender to or for the credit or account of such Borrower may be offset and applied toward the payment of the Obligations owing to such Lender, whether or not the Obligations, or any part thereof, shall then be due; *provided* that this Section 12.1 shall not apply to amounts attributable or in any way related to the clearing and settlement of Visa card products or travelers checks or any other transaction for which any Borrower performs clearing or settlement services; and *provided* further, that in the event that any Defaulting Lender shall exercise any such right of setoff, (a) all amounts so set off shall be paid over by such Defaulting Lender immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.28 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (b) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees promptly to notify the applicable Borrower and the Administrative Agent after any such set-off and application; *provided* that the failure to give such notice shall not affect the validity of such set-off and application.

12.2 Ratable Payments. If any Revolving Lender, whether by setoff or otherwise, has payment made to it upon its Revolving Loans (other than payments received pursuant to Section 3.1, 3.4 or 3.5 or as otherwise provided herein) or its participation in Swing Loans in a greater proportion than that received by any other Revolving Lender, such Revolving Lender agrees, promptly upon demand, to purchase a portion of the Revolving Loans (or such participations in Swing Loans) held by the other Revolving Lenders so that after such purchase each Revolving Lender will hold its pro rata share of all Revolving Loans (and all participations in Swing Loans), as contemplated by this Agreement; provided that this Section 12.2 shall be applied separately with respect to each Borrower, so that any payment made by or on account of any Borrower shall not give rise to an obligation to purchase Loans made to any other Borrower.

ARTICLE XIII - BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS

13.1 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that, except as otherwise permitted herein, no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (a) to an Eligible Assignee in accordance with the provisions of Section 13.3, (b) by way of participation in accordance with the provisions of Section 13.2 or (c) by way of pledge or assignment of a security interest subject to the restrictions of Section 13.3.3 (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 13.2 and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

13.2 Participations.

13.2.1 Permitted Participants; Effect. Any Lender may at any time, without the consent of, or notice to, any Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person, a Defaulting Lender or any Borrower or any of the Borrowers' Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in Swing Loans) owing to it); *provided* that (a) such Lender's obligations under this Agreement shall remain unchanged, (b) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (c) the Borrowers, the Administrative Agent, and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (d) except in the case of any such participation sold to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, each such participation shall be in an amount of not less than U.S.\$10,000,000, or shall be in an amount of such Lender's entire remaining Commitment and the Loans at the time owing to it. For the avoidance of doubt,

each Lender shall be responsible for the indemnity under Section 9.5(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole

right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 8.2 that affects such Participant. Subject to Section 13.3.2, each Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.1, 3.4 and 3.5 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.3 (it being understood that the documentation required under Section 3.1(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.3; *provided* that such Participant (A) agrees to be subject to the provisions of Sections 3.6 and 2.27 as if it were an assignee under Section 13.3 and (B) shall not be entitled to receive any greater payment under Sections 3.1 or 3.4 or 3.5, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation or unless the sale of the participation to such Participant is made with Visa Inc.'s prior written consent. Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 3.6 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.1 as though it were a Lender; *provided* that such Participant agrees to be subject to Section 12.2 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

13.2.2 Limitation upon Participant Rights. A Participant that would be a Non-U.S. Lender if it were a Lender shall not be entitled to the benefits of Section 3.1 unless the Borrowers are notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrowers, to comply with Section 3.6 as though it were a Lender.

13.3 Assignments.

13.3.1 Permitted Assignments. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans (including for purposes of this Section 13.3.1, participations in Swing Loans) at the time owing to it); *provided* that:

(a) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender (determined after giving effect to such assignment), the aggregate amount of the Commitment assigned (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than U.S.\$10,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, Visa Inc. otherwise consents (each such consent not to be unreasonably withheld or delayed);

(b) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, except that this *clause (b)* shall not apply to a Swing Lender's rights and obligations in respect of Swing Loans without the consent of Visa Inc. which shall not be unreasonably withheld or delayed and shall not be required if an Event of Default has occurred and is continuing;

(c) (i) any assignment of a Tranche A Commitment must be approved by the Administrative Agent and, unless an Event of Default has occurred and is continuing, Visa Inc. (*provided* that such approvals shall not be unreasonably withheld or delayed) unless the Person that is the proposed assignee is itself a Lender or an Eligible Affiliate or Approved Fund (whether or not the proposed assignee would otherwise qualify as an Eligible Assignee), (ii) any assignment of a Tranche B Commitment must be approved by the Administrative Agent, each Swing Lender and, unless an Event of Default has occurred and is continuing, Visa Inc. (*provided* that such approvals shall not be unreasonably withheld or delayed) unless the Person that is the proposed assignee is itself a Lender or an Eligible Affiliate or Approved Fund (whether or not the proposed assignee would otherwise qualify as an Eligible Assignee) and (iii) any assignment by a Swing Lender of any Commitment to make Swing Loans must be approved by Visa Inc. unless an Event of Default has occurred and is continuing (*provided* that such approval shall not be unreasonably withheld or delayed);

(d) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee (payable by the assignor Lender or the assignee Lender) in the amount of U.S.\$3,500, unless waived by

the Administrative Agent in its sole discretion, and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire; and

(e) in connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations, or other compensating actions, including funding, with the consent of Visa Inc. and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and unfunded participations in Swing Loans. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 13.3.2, from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.1, 3.4, 3.5 and 9.5 with respect to facts and circumstances occurring prior to the effective date of such assignment; *provided*, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the applicable Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 13.3.1 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 13.2. The Administrative Agent is hereby authorized and directed to amend Schedule 1 from time to time to reflect any assignment or transfer pursuant to this Section 13.3.1 or Section 2.28, and the addition of any Lender pursuant to Section 2.26 and to deliver such amended Schedule 1 to the Borrowers and each Lender.

13.3.2 Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrowers (and such agency being solely for tax purposes), shall maintain at its applicable Lending Installation within the United States a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrowers and the Lenders at any reasonable time and from time to time upon reasonable prior notice. The Loans (including principal and interest) are registered obligations and the right, title, and interest of any Lender or its assigns in and to such Loans shall be transferable only upon notation of such transfer in the Register. This Section 13.3.2 shall be construed so that the Loans (including principal and interest) are at all times maintained in "registered form" under Section 5f.103-1(c) of the United States Treasury Regulations.

13.3.3 Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

13.3.4 Electronic Execution of Documents. The words "execution," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Revolving Advance Borrowing Notices, Swing Loan Borrowing Notices, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state Laws based on the Uniform Electronic Transactions Act; *provided* that notwithstanding anything contained herein to the contrary neither the Administrative Agent nor any Swing Lender nor any Borrower shall be under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by it pursuant to procedures agreed by it.

13.3.5 Resignation as Swing Lender after Total Assignment. Notwithstanding anything to the contrary contained herein, if at any time any Swing Lender assigns all of its Commitment and Loans pursuant to Section 13.3.1 (other than its Commitment to make Swing Loans and Swing Loans outstanding under such Commitment), such Swing Lender may, upon 30 days' notice to Visa

Inc., resign as a Swing Lender. In the event of any such resignation as a Swing Lender, Visa Inc. shall be entitled to appoint from among the Lenders a successor Swing Lender hereunder (subject to the consent of such proposed successor Swing Lender); *provided*, however, that no failure by Visa Inc. to appoint any such successor shall affect the resignation of the retiring Swing Lender as a Swing Lender. If any Swing Lender resigns as a Swing Lender, it shall retain all the rights of a Swing Lender provided for hereunder with respect to its Swing Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to fund risk participations in outstanding Swing Loans pursuant to Section 2.23. Upon the appointment of a successor Swing Lender, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Swing Lender.

13.4 Tax Treatment. If any interest in any Loan Document is transferred to any Eligible Assignee which is organized under the Laws of any jurisdiction other than the United States or any State thereof, the transferor Revolving Lender shall cause such Eligible Assignee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.1.

ARTICLE XIV - NOTICES

14.1 Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in *clause (b)* below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile or electronic mail as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to any Borrower, the Administrative Agent, the London Sub-Agent or the Swing Lenders, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 3; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number at its applicable Lending Installation.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile or electronic mail shall be deemed to have been given when sent upon the sender's receipt of confirmation of proper transmission (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices delivered through electronic communications to the extent provided in *clause (b)* below, shall be effective as provided in such *clause (b)*.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to service of process on any Lender or notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent and Visa Inc. that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or any Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing *subclause (i)* of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of

its Related Parties (collectively, the “Agent Parties”) have any liability to any Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Borrower’s or the Administrative Agent’s transmission of Borrower Materials or notices through the Platform, any other electronic platform or electronic messaging service, or through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability arising therefrom to any Borrower, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

14.2 Change of Address. Each of the Borrowers, the Administrative Agent and the Swing Lenders may change its address, facsimile, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties hereto (or, in the case of any Borrower, by notice to the Administrative Agent). Each other Lender may change its address, facsimile, electronic mail address or telephone number for notices and other communications hereunder by notice to the Borrowers, the Administrative Agent and the Swing Lenders. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the “Private Side Information” or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender’s compliance procedures and applicable law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to any Borrower or its securities for purposes of United States Federal or state securities Laws.

14.3 Reliance by Administrative Agent and Lenders. The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of any Borrower even if (a) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein or (b) the terms thereof, as understood in good faith by the recipient, varied from any confirmation thereof. Each Borrower shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the good faith reliance by such Person on each notice purportedly given by or on behalf of such Borrower, so long as such Persons are not grossly negligent in so relying. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

ARTICLE XV - COUNTERPARTS

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement shall be effective when it has been executed by each Borrower party hereto on the Closing Date, the Administrative Agent and the Lenders and each party has notified the Administrative Agent by facsimile or .pdf transmission that it has taken such action.

ARTICLE XVI - CHOICE OF LAW; CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL

16.1 CHOICE OF LAW. This agreement and all of the other loan documents shall be governed by, and construed in accordance with, the law of the State of New York.

16.2 CONSENT TO JURISDICTION. **EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT; PROVIDED THAT IF FOR ANY REASON SUCH NEW YORK STATE OR FEDERAL COURTS CANNOT OR WILL NOT ACCEPT JURISDICTION OVER ANY SUCH ACTION OR PROCEEDING, THE EXCLUSIVITY OF JURISDICTION OF SUCH NEW YORK STATE AND FEDERAL COURTS SHALL NOT APPLY. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.**

16.3 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

16.4 USA PATRIOT Act Notice. Each Lender that is subject to the PATRIOT Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrowers that, pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "PATRIOT Act"), it is required to obtain, verify and record information that identifies each Borrower, which information includes the name and address of each Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Borrower in accordance with the PATRIOT Act.

[Remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the Borrowers, the Lenders and the Administrative Agent have executed this Agreement as of the date first above written.

VISA INC.

By: /s/ Vasant M. Prabhu
Name: Vasant M. Prabhu
Title: Vice Chairman and Chief Financial Officer

By: /s/ Colleen Ostrowski
Name: Colleen Ostrowski
Title: Senior Vice President and Treasurer

VISA INTERNATIONAL SERVICE ASSOCIATION

By: /s/ Vasant M. Prabhu
Name: Vasant M. Prabhu
Title: Chief Financial Officer

By: /s/ Colleen Ostrowski
Name: Colleen Ostrowski
Title: Senior Vice President and Treasurer

VISA U.S.A. INC.

By: /s/ Vasant M. Prabhu
Name: Vasant M. Prabhu
Title: Chief Financial Officer

By: /s/ Colleen Ostrowski
Name: Colleen Ostrowski
Title: Senior Vice President and Treasurer

*Visa: Amended and Restated
Five Year Revolving Credit Agreement*

VISA EUROPE LIMITED

By: /s/ Charlotte Hogg
Name: Charlotte Hogg
Title: Chief Executive Officer

By: /s/ Robert Livingston
Name: Robert Livingston
Title: Chief Financial Officer

*Visa: Amended and Restated
Five Year Revolving Credit Agreement*

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Anthea Del Bianco
Name: Anthea Del Bianco
Title: Vice President

LENDERS:

BANK OF AMERICA, N.A.

By: /s/ Stefanie Brown
Name: Stefanie Brown
Title: Vice President

JPMORGAN CHASE BANK, N.A.

By: /s/ Victoria Teterceva
Name: Victoria Teterceva
Title: Vice President
J. P. Morgan

BANK OF CHINA, LOS ANGELES BRANCH

By: /s/ Lixin Guo
Name: Lixin Guo
Title: SVP & Branch Manager

BARCLAYS BANK PLC

By: /s/ David Williams
Name: David Williams (executed in New York)
Title: Director

CITIBANK, N.A.

By: /s/ Ciaran Small
Name: Ciaran Small
Title: Director

*Visa: Amended and Restated
Five Year Revolving Credit Agreement*

DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Ming K. Chu
Name: Ming K. Chu
Title: Director

By: /s/ Annie Chung
Name: Annie Chung
Title: Director

GOLDMAN SACHS BANK USA

By: /s/ Ryan Durkin
Name: Ryan Durkin
Title: Authorized Signatory

HSBC BANK USA, NATIONAL ASSOCIATION

By: /s/ Johann Matthai
Name: Johann Matthai
Title: Director

MUFG BANK, LTD.

By: /s/ Jacob Ulevich
Name: Jacob Ulevich
Title: Director

ROYAL BANK OF CANADA

By: /s/ Kamran Khan
Name: Kamran Khan
Title: Authorized Signatory

STANDARD CHARTERED BANK

By: /s/ Guilherme Domingos
Name: Guilherme Domingos – A3553
Title: Director

THE TORONTO-DOMINION BANK, NEW YORK BRANCH

By: /s/ Maria Macchiaroli
Name: Maria Macchiaroli
Title: Authorized Signatory

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Brian Seipke
Name: Brian Seipke
Title: Senior Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Tracy Moosbrugger
Name: Tracy Moosbrugger
Title: Managing Director

*Visa: Amended and Restated
Five Year Revolving Credit Agreement*

AMENDED AND RESTATED AIRCRAFT TIME SHARING AGREEMENT

THIS AMENDED AND RESTATED AIRCRAFT TIME SHARING AGREEMENT (this “**Agreement**”) is made and entered into effective as of November 1, 2019 (“**Effective Date**”), by and between Visa U.S.A. Inc., a Delaware corporation (the “**Company**”), and Alfred F. Kelly, Jr. (the “**Executive**”).

RECITALS

WHEREAS, Company owns and/or operates the aircraft (individually and/or collectively, as the case may be, the “**Aircraft**”) listed on Schedule A attached hereto for business use by employees and non-employee directors of Company;

WHEREAS, Company and Executive entered into that certain Aircraft Time Sharing Agreement dated November 9, 2016, as amended by the certain Amendment No. 1 to the Aircraft Time Sharing Agreement dated March 28, 2018 (“**Original Time Sharing Agreement**”);

WHEREAS, Company and Executive wish to amend and restate, in its entirety, the Original Time Sharing Agreement, so that Company, in accordance with the terms and conditions of this Agreement, shall continue to make the Aircraft, with flight crew, available to Executive for personal travel on a non-exclusive time sharing basis in accordance with Section 91.501(c)(1) of the Federal Aviation Regulations (“**FAR**”); and

WHEREAS, Executive agrees to reimburse Company for the personal use of the Aircraft as permitted under the FAR and pursuant to the terms and conditions of this Agreement, which sets forth the understanding of the parties.

NOW, THEREFORE, in consideration of the foregoing and the provisions of this Agreement, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Term. The term of this Agreement (the “**Term**”) shall commence on the date hereof and shall continue until terminated by either party on written notice to the other party, such termination to become effective ten (10) days from the date of the notice; provided, however, that this Agreement may be terminated by Company on such shorter notice as may be required for Company to comply with applicable law, regulations, the requirements of any financial institution with a security or other interest in the Aircraft, insurance requirements, or in the event the insurance required hereunder is not in full force and effect. This Agreement also shall terminate automatically on the date Executive ceases to serve as Company’s Chief Executive Officer. Notwithstanding the foregoing, any provisions directly or indirectly related to Executive's payment obligations for flights completed

prior to the date of termination and the limitation of liability provisions in Section 9 shall survive the termination of this Agreement.

2. Provision of Aircraft and Crew. Subject to Aircraft availability and the specific terms set forth in Schedule B attached hereto, Company agrees to provide to Executive the Aircraft and flight crew on a time sharing basis, as defined in FAR Sections 91.501(c)(1) and 91.501(d). Company shall provide, at its sole expense, qualified flight crew for all flight operations under this Agreement. If Company becomes the owner and/or operator of any aircraft not listed on Schedule A, Schedule A shall be modified to include such aircraft as an Aircraft covered by this Agreement, and thereafter this Agreement shall remain in full force and effect with respect to such Aircraft and each of the other Aircraft identified thereon, if any. If Company is no longer the owner and/or operator of any of the Aircraft, Schedule A shall be deemed amended to delete any reference to such Aircraft and this Agreement shall be terminated as to such Aircraft but shall remain in full force and effect with respect to each of the other Aircraft identified thereon, if any. No such termination shall affect any of the rights and obligations of the parties accrued or incurred prior to such termination.

3. Expenses and Payments. The terms and conditions of the reimbursements made by Executive to Company for the expenses of the flights conducted under this Agreement and the payments thereof are set forth in Schedule B.

4. Scheduling Flights.

(a) Flight Requests. Executive shall provide Company with flight requests for Executive's personal travel to be undertaken pursuant to this Agreement and proposed flight schedules as far in advance of Executive's desired departure date as possible. Flight requests shall be made by Executive in a form that is acceptable to Company. Company shall have sole and exclusive authority over the scheduling of the Aircraft. Company shall not be liable to Executive or any other person for loss, injury, or damage occasioned by the delay or failure to furnish the Aircraft and crew pursuant to this Agreement for any reason. In addition to requested schedules and departure times, Executive shall provide at least the following information for each proposed flight reasonably in advance of the desired departure time as reasonably required by Company or its flight crew:

- i.** Departure point;
- ii.** Destination;
- iii.** Date and time of flight;
- iv.** Number and identity of anticipated passengers;
- v.** Nature and extent of luggage and/or cargo expected to be carried;
- vi.** Date and time of return flight, if any; and
- vii.** Any other information concerning the proposed flight that may be pertinent to or required by Company, its flight crew, or governmental entities.

(b) Approval of Flight Requests. Subject to Aircraft and crew availability, Company shall use its good faith efforts, consistent with its approved policies, to accommodate Executive's needs and avoid conflicts in scheduling. Although every good faith effort shall be made to avoid its occurrence, any flights scheduled under this Agreement are subject to cancellation by either party without incurring liability to the other party. In the event of a cancellation, the canceling party shall provide the maximum notice reasonably practicable.

(c) Repositioning of Aircraft. In the absence of another flight scheduled on the Aircraft by Executive or another scheduled business trip, the Aircraft may remain at the destination until its next required use. In the event the Aircraft must be repositioned, this Agreement shall be implemented such that the costs of deadhead flights (but subject to the specific terms set forth in Schedule B) shall be borne by Executive if such flights are attributable to the personal use of the Aircraft and would be reportable in the Summary Compensation Table for Executive absent reimbursement.

5. Flight Operations.

(a) Operational Control and Authority. Company shall be responsible for the physical and technical operation of the Aircraft and the safe performance of all flights under this Agreement, and shall retain full authority and control, including exclusive operational control and exclusive possession, command and control of the Aircraft for all flights under this Agreement.

(b) Flight Crew. Company shall furnish at its expense a fully qualified flight crew with appropriate credentials to conduct each flight undertaken under this Agreement and included on the insurance policies that Company is required to maintain hereunder. In accordance with applicable FAR, the qualified flight crew provided by Company will exercise all required and/or appropriate duties and responsibilities in regard to the safety of each flight conducted hereunder.

(c) Authority of Pilot-in-Command. The pilot-in-command shall have absolute discretion in all matters concerning the preparation of the Aircraft for flight and the flight itself, the load carried and its distribution, the decision whether or not a flight shall be undertaken, the route to be flown, the place where landings shall be made, and all other matters relating to operation of the Aircraft. Executive specifically agrees that the flight crew shall have final and complete authority to delay or cancel any flight for any reason or condition that in the sole judgment of the pilot-in-command could compromise the safety of the flight, and to take any other action that in the sole judgment of the pilot-in-command is necessitated by considerations of safety. No such action of the pilot-in-command shall create or support any liability to Executive or any other person for loss, injury, damage or delay. Company's operation of the Aircraft hereunder shall be strictly within the guidelines and policies established by Company and FAR Part 91.

6. Aircraft Maintenance. Company shall, at its own expense, cause the Aircraft to be inspected, maintained, serviced, repaired, overhauled, and tested in accordance with FAR Part 91 so that the Aircraft will remain in good operating condition and in a condition consistent with its airworthiness certification and shall take such requirements into account in scheduling the Aircraft

hereunder, including but not limited compliance with applicable airworthiness directives and service bulletins. Performance of maintenance, preventive maintenance or inspection shall not be delayed or postponed for the purpose of scheduling the Aircraft unless such maintenance or inspection can safely be conducted at a later time in compliance with applicable laws, regulations and requirements, and such delay or postponement is consistent with the sound discretion of the pilot-in-command. In the event that any non-standard maintenance is required during the term and will interfere with Executive's requested or scheduled flights, Company, or Company's pilot-in-command, shall notify Executive of the maintenance required, the effect on the ability to comply with Executive's requested or scheduled flights and the manner in which the parties will proceed with the performance of such maintenance and conduct of such flight(s). In no event shall Company be liable to Executive or any other person for loss, injury or damage occasioned by the delay or failure to furnish the Aircraft under this Agreement, whether or not maintenance-related.

7. Insurance.

(a) Aviation Liability and Hull Insurance Policy. Company, at its expense, will maintain or cause to be maintained in full force and effect throughout the Term of this Agreement an aviation liability and hull insurance policy including: aviation liability insurance against bodily injury and property damage claims arising out of the use of the Aircraft in an amount not less than \$250 Million for each occurrence; and breach of warranty and hull insurance for the Aircraft in amounts determined by Company at its sole discretion. The aviation liability coverage shall include Executive as an insured, and include a severability of interest provision providing that the insurance shall apply separately to each insured against whom a claim is made, except as respects the limits of liability. The aviation liability and hull insurance coverage shall include provisions whereby the insurer(s) waive all rights of subrogation they may have or acquire against Executive and shall permit the use of the Aircraft by Company for compensation or hire as provided in FAR Section 91.501.

(b) Additional Insurance. Company shall use reasonable commercial efforts to provide such additional insurance for specific flights under this Agreement as Executive may reasonably request. Executive acknowledges that any trips scheduled to areas not currently covered by existing policies may require Company to purchase additional insurance to comply with applicable regulations, and Company shall be required to maintain or cause to be maintained such additional insurance. The cost of all flight-specific insurance shall be borne by Executive, subject to the specific terms set forth in Schedule B.

8. Use of Aircraft. Executive represents and warrants that:

(a) Executive will use the Aircraft under this Agreement for and only for his own account, including the carriage of his guests, and will not use the Aircraft for the purpose of providing transportation of executives or cargo for compensation or hire or for common carriage;

(b) Executive will not permit any lien, security interest or other charge or encumbrance to attach against the Aircraft as a result of his actions or inactions, and shall not attempt to convey, mortgage, assign, lease or in any way alienate the Aircraft or Company's rights hereunder or create any kind of lien or security interest involving the Aircraft or do anything or take any action that might mature into such a lien; and

(c) During the Term of this Agreement, Executive will abide by and conform to all such laws, governmental and airport orders, rules, and regulations as shall from time to time be in effect relating in any way to the operation or use of the Aircraft by a lessee under a time sharing arrangement and all applicable policies of Company.

9. Limitation of Liability. NEITHER COMPANY (NOR ITS AFFILIATES) MAKES, HAS MADE OR SHALL BE DEEMED TO MAKE OR HAVE MADE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, WITH RESPECT TO ANY AIRCRAFT TO BE USED HEREUNDER OR ANY ENGINE OR COMPONENT THEREOF INCLUDING, WITHOUT LIMITATION, ANY WARRANTY AS TO DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS OR WORKMANSHIP, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, USE OR OPERATION, AIRWORTHINESS, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT OR TITLE. IN NO EVENT SHALL COMPANY OR ANY OF ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, OR AGENTS BE LIABLE FOR OR HAVE ANY DUTY FOR INDEMNIFICATION OR CONTRIBUTION TO EXECUTIVE OR EXECUTIVE'S GUESTS FOR ANY CLAIMED LIABILITIES, LOSSES, OR INDIRECT, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES RESULTING FROM OR ARISING OUT OF THE USE OR OPERATION OF THE AIRCRAFT PURSUANT TO THIS AGREEMENT (ALTOGETHER, THE "LOSSES"), REGARDLESS OF WHETHER SUCH LOSSES ARISE OUT OF OR ARE CAUSED BY, IN WHOLE OR IN PART, COMPANY'S NEGLIGENCE, GROSS NEGLIGENCE, OR STRICT LIABILITY OR WHETHER COMPANY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH LOSSES.

The provisions of this Section 9 shall survive the termination or expiration of this Agreement.

10. Risk of Loss. Company assumes and shall bear the entire risk of loss, theft, confiscation, damage to, or destruction of the Aircraft from any cause whatsoever.

11. Base of Operations. For purposes of this Agreement, the base of operations of the Aircraft is Oakland International Airport (KOAK), Oakland, California, provided that such base may be changed at Company's sole discretion upon notice from Company to Executive.

12. Copy of Agreement in Aircraft. A copy of this Agreement shall be carried in the Aircraft and available for review at the request of the Federal Aviation Administration on all flights conducted pursuant to this Agreement.

13. Notices and Communications. All notices and other communications under this Agreement shall be in writing (except as permitted in Section 4) and shall be given (and shall be deemed to have been duly given upon receipt or refusal to accept receipt) by personal delivery, by facsimile or electronic mail (with a simultaneous confirmation copy sent by first class mail properly addressed and postage prepaid), or by a reputable overnight courier service, addressed as follows:

If to Company: Visa U.S.A. Inc.
c/o General Counsel
900 Metro Center Blvd.
Foster City, California 94404

If to Executive: Alfred F. Kelly, Jr.
Visa Inc.
900 Metro Center Blvd.
Foster City, California 94404

The address of a party may be changed from time to time by such party by written notice to the other party.

14. Entire Agreement. This Agreement constitutes the entire understanding between the parties with respect to its subject matter, and there are no representations, warranties, rights, obligations, liabilities, conditions, covenants, or agreements relating to such subject matter that are not expressly set forth herein.

15. Further Acts. Company and Executive shall from time to time perform such other and further acts and execute such other and further instruments as may be required by law or may be reasonably necessary (i) to carry out the intent and purpose of this Agreement, and (ii) to establish, maintain and protect the respective rights and remedies of the other party.

16. Non-Assignment. Neither this Agreement nor any party's interest hereunder shall be assignable to any person whatsoever. This Agreement shall inure to the benefit of, and be binding on the parties hereto and their respective heirs, executors, administrators, successors and assigns.

17. Taxes. Executive shall be responsible for paying, and Company shall be responsible for collecting from Executive and paying over to the appropriate authorities, all applicable Federal excise taxes imposed under Section 4261 of the Internal Revenue Code of 1986, as amended, and all sales, use and other excise taxes imposed by any authority in connection with the use of the Aircraft by Executive hereunder.

18. Governing Law and Consent to Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, without regard to principles of conflicts of laws.

19. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions shall not be affected or impaired.

20. Amendment or Modification. This Agreement may be amended, modified or terminated only in writing duly executed by the parties hereto.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same Agreement, binding on all the parties notwithstanding that all the parties are not signatories to the same counterpart.

22. Truth-in-Leasing Compliance. Company, on behalf of Executive, shall (i) deliver a copy of this Agreement to the Federal Aviation Administration, Aircraft Registration Branch, Attn: Technical Section, P.O. Box 25724, Oklahoma City, Oklahoma 73125 within 24 hours of its execution, (ii) notify the appropriate Flight Standards District Office at least 48 hours prior to the first flight under this Agreement of the registration number of the Aircraft, and the location of the airport of departure and departure time for such flight, and (iii) carry a copy of this Agreement onboard the Aircraft at all times when the Aircraft is being operated under this Agreement.

23. TRUTH-IN-LEASING STATEMENT PURSUANT TO FAR SECTION 91.23.

COMPANY CERTIFIES THAT EACH OF THE AIRCRAFT HAS BEEN INSPECTED AND MAINTAINED DURING THE 12-MONTH PERIOD PRECEDING THE DATE OF THIS AGREEMENT (OR SUCH SHORTER PERIOD AS OPERATOR SHALL HAVE POSSESSED THE AIRCRAFT) IN ACCORDANCE WITH THE PROVISIONS OF PART 91 OF THE FEDERAL AVIATION REGULATIONS. EACH OF THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED IN COMPLIANCE WITH THE MAINTENANCE AND INSPECTION REQUIREMENTS FOR ALL OPERATIONS TO BE CONDUCTED UNDER THIS AGREEMENT.

COMPANY, WHOSE OFFICE ADDRESS IS 900 METRO CENTER BLVD., FOSTER CITY, CALIFORNIA 94404, AGREES, CERTIFIES AND ACKNOWLEDGES, AS EVIDENCED BY ITS SIGNATURE BELOW, THAT WHENEVER ANY OF THE AIRCRAFT IS OPERATED UNDER THIS AGREEMENT, COMPANY SHALL BE KNOWN AS, CONSIDERED, AND SHALL IN FACT BE THE OPERATOR OF THE AIRCRAFT, AND THAT COMPANY UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS.

THE PARTIES UNDERSTAND THAT AN EXPLANATION OF FACTORS AND PERTINENT FEDERAL AVIATION REGULATIONS BEARING ON OPERATIONAL CONTROL CAN BE OBTAINED FROM THE NEAREST FAA FLIGHT STANDARDS DISTRICT OFFICE.

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Aircraft Time Sharing Agreement to be duly executed on the day and year first above written.

Visa U.S.A. Inc.

By: /s/ Vasant M. Prabhu

Name: Vasant M. Prabhu

Title: Vice Chairman and Chief Financial Officer

Alfred F. Kelly, Jr.

/s/ Alfred F. Kelly, Jr.

SCHEDULE A

Type of Aircraft	U.S. Registration Number	Manufacturer Serial Number
GULFSTREAM AEROSPACE MODEL GVI (G650ER)	N358V	6161
GULFSTREAM AEROSPACE MODEL GVI (G650ER)	N476V	6300

SCHEDULE B

TERMS AND CONDITIONS OF EXECUTIVE'S REIMBURSEMENT AND PAYMENT OF FLIGHTS

1. Expenses

(a) Reimbursement. For each flight conducted under the Agreement (including return and deadhead flights, as described in Section 4(c) of the Agreement), Executive shall, subject to the last sentence of this Section 1(a), pay Company an amount (as determined by Company in its sole discretion) equal to the lesser of (i) the amount that would, absent reimbursement, be reportable with respect to Executive in the Summary Compensation Table of Company's Proxy Statement (as determined by Company in its sole and absolute discretion in accordance with Item 402 of Regulation S-K (17 CFR 229.402), including any amendments or successor rules thereto) (the "**SEC Cost**"), or (ii) the expenses of operating such flight that may be charged pursuant to FAR Section 91.501(d) as in effect from time to time (the "**FAR Expenses**"). Under no circumstances shall Executive pay Company more than the maximum amount of expense reimbursement allowed under FAR Section 91.501(d) for any flight. Notwithstanding the foregoing, effective for any flight beginning on or after the Effective Date, Executive: (i) shall not be required to pay Company any amount described in this Section 1(a), until all such amounts exceed \$200,000 in the aggregate for each fiscal year of Company (the "**Threshold Amount**") and (ii) shall pay Company any amount in excess of the Threshold Amount, in accordance with the provisions of this Section 1(a) and other applicable provisions of the Agreement.

(b) SEC Cost. For purposes of this Agreement, the SEC Cost shall include, but not be limited to, the following variable operating costs: aircraft fuel and oil, hourly engine program charges, communication, catering, allowance for maintenance and maintenance programs, contract pilots and cabin coordinators, flight crew expenses, flight crew meals, aircraft expenses, cleaning, landing and ground services, navigation, landing fees, parking charges and flight costs associated with repositioning the Aircraft in connection with deadhead flights (as described in Section 4(c) of the Agreement).

(c) FAR Expenses. As of the date of the Agreement, FAR Expenses are limited to the following costs:

- i.* Fuel, oil, lubricants, and other additives;
- ii.* Travel expenses of the crew, including food, lodging, and ground transportation;
- iii.* Hangar and tie-down costs away from the Aircraft's base of operation;

- iv.* Insurance obtained for the specific flight as per Section 7(b) of the Agreement;
- v.* Landing fees, airport taxes, and similar assessments;
- vi.* Customs, foreign permit, and similar fees directly related to the flight;
- vii.* In-flight food and beverages;
- viii.* Executive ground transportation;
- ix.* Flight planning and weather contract services; and
- x.* An additional charge equal to one hundred percent (100%) of the expenses listed in subsection (i) above.

2. Annual Cap. Company's obligation to provide Executive the Aircraft and flight crew for personal use in any fiscal year shall cease at such time as the total cost of Executive's personal travel (which includes both personal travel by Executive and his guests) equals \$500,000, as determined by Company using the lesser of (i) the SEC Cost, and (ii) the FAR Expenses.

3. Invoicing and Payment. All payments, if any, to be made to Company by Executive hereunder shall be paid in the manner set forth in this Section. Company will pay, or cause to be paid, the expenses related to the operation of the Aircraft hereunder in the ordinary course. Company shall provide or cause to be provided to Executive a monthly invoice, within fifteen (15) days after the end of each month, that shows the personal use of the Aircraft by Executive pursuant to this Agreement during that month and provides a complete accounting detailing all amounts that are payable by Executive pursuant to Section 1 hereinabove for that month (plus applicable domestic or international air transportation excise taxes, and any other fees, taxes or charges assessed on Executive by and remitted to a government agency or airport authority). Executive shall pay all amounts due under the invoice not later than fifteen (15) days after receipt thereof. In the event Company has not received all supplier invoices for reimbursable charges relating to personal use of the Aircraft prior to the date of the invoice, Company shall issue supplemental invoices for such charges to Executive, and Executive shall pay each supplemental invoice within fifteen (15) days after receipt thereof.

**List of Significant
Subsidiaries of Visa Inc.
as of September 30, 2019**

<u>Name</u>	<u>Jurisdiction</u>
Visa Europe Limited	United Kingdom
Visa International Holdings, Inc.	Delaware
Visa International Holdings Limited	United Kingdom
Visa International Service Association	Delaware
Visa U.S.A. Inc.	Delaware
Visa Worldwide Pte. Limited	Singapore

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Visa Inc.:

We consent to the incorporation by reference in the registration statements (No. 333-214208, No. 333-201770, No. 333-157191 and No. 333-150426) on Form S-8 and (No. 333-226396) on Form S-3 of Visa Inc. of our report dated November 14, 2019, with respect to the consolidated balance sheets of Visa Inc. and subsidiaries as of September 30, 2019 and 2018, and the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended September 30, 2019, and the related notes, and the effectiveness of internal control over financial reporting as of September 30, 2019, which report appears in the September 30, 2019 annual report on Form 10-K of Visa Inc.

Our report on the consolidated financial statements refers to a change in the method of accounting for revenue due to the adoption of Accounting Standards Update 2014-09 "Revenue from Contracts with Customers (Topic 606)".

/s/ KPMG LLP
Santa Clara, California
November 14, 2019

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
EXCHANGE ACT RULE 13A-14(A)/15D-14(A)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Alfred F. Kelly, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Visa Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2019

/s/ Alfred F. Kelly, Jr.

Alfred F. Kelly, Jr.
Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
EXCHANGE ACT RULE 13A-14(A)/15D-14(A)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Vasant M. Prabhu, certify that:

1. I have reviewed this annual report on Form 10-K of Visa Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2019

/s/ Vasant M. Prabhu

Vasant M. Prabhu
Vice Chairman and Chief Financial Officer
(Principal Financial Officer)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Visa Inc. (the "Company") on Form 10-K for the period ended September 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Alfred F. Kelly, Jr., Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2019

/s/ Alfred F. Kelly, Jr.

Alfred F. Kelly, Jr.
Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Visa Inc. (the "Company") on Form 10-K for the period ended September 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Vasant M. Prabhu, Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2019

/s/ Vasant M. Prabhu

Vasant M. Prabhu
Vice Chairman and Chief Financial Officer
(Principal Financial Officer)