

MASTERCARD INC
Form 8-K
February 08, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K
CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 4, 2008

MasterCard Incorporated

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction
of incorporation)*

001-32877
*(Commission
File Number)*

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

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

(914) 249-2000

10577
(Zip Code)

(Registrant's telephone number, including area code)

NOT APPLICABLE

(Former name or former address, if changed since last report)

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

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- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 4, 2008, the Human Resources and Compensation Committee of the Board of Directors (the Compensation Committee) of MasterCard Incorporated (the Company) approved performance targets for the Company for the year ending December 31, 2008 that will be used to determine the amounts of cash bonus awards that may be paid to the principal executive officer, principal financial officer, and other named executive officers disclosed in the Company's most recent proxy statement filed with the Securities and Exchange Commission (on April 26, 2007) under its Senior Executive Annual Incentive Compensation Plan (SEAICP). The cash bonus awards for 2008 under the SEAICP are based upon the Company's achievement of predetermined net income and operating margin improvement targets. Actual bonus award amounts will be based upon a weighting of two-thirds for actual performance achieved against the net income target and one-third for actual performance achieved against the operating margin improvement target. The Compensation Committee may reduce award amounts at its discretion. The Compensation Committee set the 2008 annual cash incentive awards (as a percentage of base salary) under the SEAICP for the Company's named executive officers as follows:

| Name | Performance Level Achieved | | |
|---------------------|----------------------------|--------|---------|
| | Threshold | Target | Maximum |
| Robert W. Selander | 75% | 150% | 375% |
| Alan J. Heuer | 50% | 100% | 250% |
| Noah J. Hanft | 50% | 100% | 250% |
| Martina Hund-Mejean | 50% | 100% | 250% |
| Chris A. McWilton | 50% | 100% | 250% |
| Michael W. Michl | 50% | 100% | 250% |

Performance below threshold would result in no cash bonus payout.

Also on February 4, 2008, the Compensation Committee approved increases to annual base salaries for certain of its named executive officers, to be effective March 1, 2008. These increases in annual base salaries are set forth on Exhibit 10.1, which is attached hereto and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

| Exhibit Number | Exhibit Description |
|---------------------------|---|
| 10.1 | Annual Base Salary for Certain Named Executive Officers of MasterCard Incorporated as of March 1, 2008. |

SIGNATURES

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

MASTERCARD INCORPORATED

Date: February 8, 2008

By /S/ Noah J. Hanft
Noah J. Hanft
General Counsel and Corporate Secretary

EXHIBIT INDEX

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