March 27, 1997

VIA EDGAR

Securities and Exchange Commission
Judiciary Plaza
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Viad Corp Form 10-K
CIK 0000884219
Commission File No. 001-11015

Ladies and Gentlemen:

Pursuant to the requirements of the Securities and Exchange Act of 1934, we are transmitting herewith the Annual Report of Viad Corp on Form 10-K for the fiscal year ended December 31, 1996. Manually executed signature pages and consents have been executed prior to the time of this electronic filing and will be retained by Viad for five years.

The financial statements do not reflect any material change by Viad from the preceding year in any other accounting principles or practice or in the method of applying such principles or practice.

Copies of this report, complete with exhibits, are being filed with the New York Stock Exchange.

Very truly yours,

/s/ Richard C. Stephan

Richard C. Stephan
Vice President-Controller

/kr

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 1995
Commission File Number 001-11015

VIAD CORP
(Exact name of registrant as specified in its charter)

Delaware	36-1169950
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
Viad Tower, Phoenix, Arizona	85077
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 602-207-4000

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

Title of each class	Name of each exchange on which registered
Common Stock, $1.50 par value	New York Stock Exchange
$4.75 Preferred Stock (stated value $100 per share)	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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, and (2) has been subject to such filing requirements for the past 90 days.
Yes /X/ No / /

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. /X/

As of March 14, 1997, 95,948,419 shares of Common Stock ($1.50 par value) were outstanding and the aggregate market value of the common Stock (based on its closing price per share on such date) held by nonaffiliates was approximately $1.68 billion.

DOCUMENTS INCORPORATED BY REFERENCE

Documents	Where Incorporated
A portion of Proxy Statement for Annual Meeting of Shareholders to be held May 13, 1997	Part III

PART I

ITEM 1. BUSINESS.

Viad Corp ("Viad" or the "Corporation") is comprised of operating companies and a division which constitute a diversified services business. Most of Viad's services are provided to businesses for use by their customers. Accordingly, the Corporation markets its services to approximately 47,000 agent locations in the U.S. (money orders), numerous trade show organizers and exhibitors (convention and exhibit services), 80 domestic and international airlines (in-flight food service), and others. Occupying the number one or number two position in many of the markets in which they compete, the Corporation's businesses seek to provide satisfying and attractive services with a discernible difference to the ultimate users and thereby be considered a value-added provider by Viad's business customers.

Viad's services are classified into three principal business segments, namely (1) Airline Catering and Services, (2) Convention Services, and (3) Travel and Leisure and Payment Services. A description of each of the Viad business segments and recent developments in each follows:

VIAD SEGMENTS

Viad is built around several company groups which are leading competitors in their businesses, including companies engaged in airline catering (Dobbs International Services), airplane fueling and ground-handling (Aircraft Service International), convention and exhibit services (GES Exposition Services and Exhibitgroup/Giltspur), payment services (Travelers Express), contract foodservices (Restaura), airport and cruise ship duty-free businesses (Greyhound Leisure Services), and travel services (Brewster Transport, Jetsave and Crystal Holidays).

AIRLINE CATERING AND SERVICES

Airline catering, aircraft fueling and certain other ground-handling operations are conducted through the Dobbs International Services and Aircraft Service International groups of companies. Dobbs International, which has been conducting airline catering operations since 1941, is the second largest domestic in-flight caterer. At the end of 1996, Dobbs International's in-flight catering operations were providing in-flight meals to more than 80 domestic and international airlines at 46 airports in the United States and 5 airports in foreign countries. United Airlines is the largest customer of Dobbs International. Dobbs International has been involved in a "Quality Improvement Process" for many years and has been recognized for its innovations by its customers and suppliers. In the fall of 1996, Dobbs International began construction of flight kitchens at the San Francisco International Airport and at the Philadelphia International Airport, and in February 1997, acquired a flight kitchen at the Miami International Airport.

The Aircraft Service International group of companies provides certain ground-handling services such as aircraft fueling, aircraft cleaning and baggage handling for major domestic and international airlines at 36 airports throughout the United States and in Freeport, Bahamas and London, England.

Dobbs International and Aircraft Service International are focused on meeting the outsourcing needs of the airline industry, providing a lower-cost alternative to permit airlines to reduce costs and operate more profitably.

CONVENTION SERVICES

Convention services are provided by the Corporation's GES Exposition and Exhibitgroup/Giltspur companies.

GES Exposition, the nation's leading supplier of convention services, provides tradeshow design and planning, decorating, exhibit design, preparation, installation and dismantling, audio visual, electrical, transportation and management services for conventions and tradeshows. In January 1996, GES Exposition acquired Exposervice Standard Inc., a Montreal based tradeshow and exposition service company. Panex Show Services Limited and Stampede Display and Convention Services Limited, two Canadian companies that provide tradeshow and exposition services in Toronto, Calgary and Edmonton had been acquired in January 1995. GES Exposition also acquired Concept Convention Services, Inc. in July 1995, and Badger Exposition Services, Inc. and related

businesses in September 1995. Concept and Badger are regional exposition services companies headquartered in Phoenix, Arizona, and Milwaukee, Wisconsin, respectively.

Exhibitgroup/Giltspur is a designer, builder and installer of convention and tradeshow exhibits and displays, with six office/warehouse locations and 28 multi-use manufacturing and office/warehouse facilities in 24 U.S. cities and a manufacturing and warehouse facility in Toronto, Canada. Exhibitgroup/Giltspur is operated as a division of Viad, and consists of merged operations formerly conducted by Exhibitgroup Inc. and Giltspur Inc. Giltspur, Inc. was acquired in October 1995. Color and Design Exhibits Inc., an exhibit company headquartered in Beaverton, Oregon, was acquired in July 1996. During 1995, Exhibitgroup/Giltspur also expanded its operations by acquisition of All West Display Inc., a company headquartered in Portland, Oregon, and Displaymasters, Inc. and Deaton Museum Services, Inc., companies headquartered in Minneapolis, Minnesota. Exhibitgroup/Giltspur operates the largest exhibit and display business in the nation.

TRAVEL AND LEISURE AND PAYMENT SERVICES

Viad's payment services business is conducted by the Travelers Express group of companies which engages in the sale of money orders to the public through approximately 47,000 agent locations in the United States and Puerto Rico. Travelers Express is the nation's leading issuer of money orders, processing approximately 256 million money orders in 1996. Travelers Express provides processing services for approximately 5,700 banks, credit unions and other financial institutions which offer share drafts (the credit union industry's version of a personal check), official checks (used by financial institutions in place of their own bank check or cashier's check) or money orders. Republic Money Order Company, a Travelers Express unit, is a leader in money order-issuance technology which facilitates the issuance of money orders through chain, convenience and supermarket stores. In October 1995, Travelers Express acquired PayMate, Inc. (renamed Moneyline Express), a supplier of home banking and remote bill payment services. Travelers Express also acquired the Minnesota-based business of First State Marketing Corp., the nation's leading processor of rebate checks, and the business of National Express Corporation, an Oklahoma-based money order business, in January 1997.

Travel and leisure services are provided by the Greyhound Leisure Services, Brewster Transport, Jetsave, Crystal Holidays and Restaura business units.

Greyhound Leisure Services operates duty-free concessions on 41 cruise ships operating primarily in North American, Caribbean and European waters, and also operates duty-free shops at the Miami and Fort Lauderdale/Hollywood, Florida international airports. It also conducts a wholesale export operation.

Brewster Transport Company Limited, an Alberta, Canada corporation, operates tour and charter buses in the Canadian Rockies, and engages in travel agency, hotel and snocoach tour operations. Brewster was a 68.5% owned affiliate of the Corporation prior to May 31, 1996, when the other 31.5% was acquired pursuant to a share exchange (see "Discontinued Operations"). In May 1995, Brewster acquired TransPacific Tours Limited, a package tour company with significant access to the Japanese marketplace. In July 1995, Brewster disposed of its joint venture interest in the Mt. Norquay ski facility in Banff, Alberta, Canada. Brewster owns and operates 94 intercity coaches and 11 buses, as well as 16 snocoaches which transport sightseers on tours of the glaciers of the Columbia Icefield.

Recreation and travel services also are provided under the Jetsave and Crystal Holidays names. Jetsave and Crystal Holidays are leading United Kingdom operators of tour packages and specialty tours throughout Europe, and from Europe to the United States, Canada, South Africa and the Bahamas. The 1996 acquisition of Tropical Places Ltd. extended the operation of Jetsave to the Caribbean, Kenya, the Indian Ocean and the Far East.

The Restaura group of companies' contract foodservice division serves meals to workers at approximately 200 locations, including employees of major companies such as General Motors and Ford, through cafeteria, executive dining room and vending operations at large industrial complexes, high density office buildings, universities and other similar facilities. Restaura also acts as the prime concessionaire for all food and beverage services at the America West Arena in Phoenix, Arizona, and operates 7 historic lodges in and around Glacier National Park in Montana and Canada. In January 1997, Restaura expanded its sports arena activities by entering into a concession agreement, commencing in 1998, to provide food and beverage services at Bank One Ballpark, the future home of the Arizona Diamondbacks baseball team.

COMPETITION

The Corporation's businesses generally compete on the basis of price, value, quality, convenience and service, and encounter substantial competition from a large number of providers of similar services, including numerous well-known local, regional and national companies, private payment service companies and the U.S. Postal Service (money orders), many of which have greater resources than the Corporation. Travelers Express also competes on the basis of quality and magnitude of agent network, business automation, technology and automated controls for money order issuance, and Dobbs International also competes on the basis of reliability, condition of kitchen facilities and truck fleet, and on-time record. The U.S. Postal Service and First Data Corporation are the principal competition of Travelers Express, and Caterair International/Sky Chefs is the principal competitor of Dobbs International. On a national basis, Freeman Decorating Company is the principal competitor of GES Exposition, and George P. Johnson is the principal competitor of Exhibitgroup/Giltspur.

PATENTS AND TRADEMARKS

United States patents are currently granted for a term of 20 years from the date a patent application is filed. The Viad companies own a number of patents which give them competitive advantages in the marketplace, including a number of patents owned by Exhibitgroup/Giltspur covering exhibit systems and by Travelers Express for automated money order dispensing systems. The Travelers Express patents cover security, automated reporting and control, and other features which are important in the issuance of money orders.

United States trademark registrations are for a term of 10 years, renewable every 10 years as long as the trademarks are used in the regular course of trade. The Viad companies maintain a portfolio of trademarks representing substantial goodwill in the businesses using the marks.

Many trademarks used by Viad and its subsidiaries, including the DOBBS, DOBBS INTERNATIONAL SERVICES, EXHIBITGROUP/GILTSPUR, GES and TRAVELERS EXPRESS service marks, have substantial importance and value. Certain rights in software held by Travelers Express also provide competitive advantage.

GOVERNMENT REGULATION

None of Viad's businesses are heavily regulated by governmental authorities. Nevertheless compliance with legal requirements and government regulations are a day-to-day integral part of the Corporation's operations and represent a normal cost of doing business. Food safety and airport security regulations are of importance to Dobbs International and Aircraft Service companies, financial transactions reporting and state banking department regulations affect Travelers Express, and environmental, labor and employment and other regulations affect virtually all operations. As is the case with many companies, the Corporation faces exposure to actual or potential claims and lawsuits involving environmental matters. Although the Corporation is a party to certain environmental disputes, the Corporation believes that any liabilities resulting therefrom, after taking into consideration amounts already provided for, but exclusive of any potential insurance recovery, should not have a material adverse effect on the Corporation's financial position or results of operations.

EMPLOYEES

EMPLOYMENT AT DECEMBER 31, 1996

SEGMENT	APPROXIMATE NUMBER OF EMPLOYERS	EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS
Airline Catering and Services	14,500	9,000
Convention Services	4,600	1,900
Travel and Leisure and Payment Services	4,800	1,700

Viad believes that relations with its employees are satisfactory and that collective bargaining agreements expiring in 1997 will be renegotiated in the ordinary course of business without adverse effect on Viad's operations.

Viad had approximately 170 employees at its corporate center at December 31, 1996, providing management, financial and accounting, tax, administrative, legal and other services to its

operating units and handling residual matters pertaining to businesses previously discontinued or sold by the Corporation. Viad is managed by a Board of Directors comprised of seven nonemployee directors and one employee director and has an executive management team consisting of six Viad officers and four principal executives of significant operating divisions or companies.

SEASONALITY

The first quarter is normally the slowest quarter of the year for Viad. Due to increased leisure travel during the summer and year-end holidays, Viad's airline catering and travel service operations experience peak activity at these times. Convention service companies generally experience increased activity during the first half of the year. As a result of these factors, Viad's 1996 quarterly earnings per share from continuing operations before nonrecurring items as a percentage of the full year's earnings on the same basis were approximately 11% (first quarter), 27% (second quarter), 35% (third quarter), and 27% (fourth quarter). See Note R of Notes to Consolidated Financial Statements.

DISCONTINUED OPERATIONS

Viad is successor to The Greyhound Corporation, a corporation formed in 1926 which owned and operated Greyhound Lines, the nation's largest intercity bus transportation company. Since that time, the Corporation has evolved from a bus transportation company, to a consumer products and services company, then to a services company. Viad's evolution as a focused services company was furthered in 1996 with the separation of Greyhound Lines of Canada ("GLOC") in May 1996 and the spin-off of the Corporation's consumer products business in August 1996.

Effective May 31, 1996, shareholders of Greyhound Lines of Canada voted to separate its intercity bus transportation business and its tourism business into two independent companies. At the same time, GLOC minority shareholders approved an automatic share exchange proposal whereby their ownership interests in the tourism business, aggregating 31.5 percent, were exchanged for Viad's 68.5 percent ownership interest in the intercity bus transportation company such that Viad became the owner of 100 percent of the tourism company, Brewster Transport Company Limited, in exchange for its ownership in the intercity bus transportation company.

On August 15, 1996, Viad completed the spin-off of its consumer products business, now conducted under the name The Dial Corporation. In effecting the spin-off, the holders of common stock of Viad received a distribution of one share of common stock of The Dial Corporation for each share of Viad common stock.

In February 1997, Viad's Board of Directors approved plans to dispose of Viad's cruise line business, operated by Premier Cruise Lines, Ltd.

See Notes A, D and E of Notes to Consolidated Financial Statements for further information concerning Discontinued Operations.

SHELF REGISTRATION

In July 1994, the Corporation filed a shelf registration with the Securities and Exchange Commission covering $500 million of debt and equity securities. To date, no securities have been offered under the registration.

BUSINESS SEGMENTS

Principal business segment information is set forth in Exhibit 13 attached hereto and made a part hereof.

ITEM 2. PROPERTIES.

Viad and its subsidiaries operate service or production facilities and maintain sales and service offices in the United States, Canada and the United Kingdom. The Corporation also conducts business in certain other foreign countries.

Viad's headquarters are located at Viad Tower in Phoenix, Arizona. Viad leases 8 floors (consisting of approximately 159,000 square feet) from a partnership owned by two subsidiaries of the Corporation, and in addition, has control of approximately 29,600 square feet on a rent-free basis to provide building amenities such as food service and fitness facilities.

AIRLINE CATERING AND SERVICES operates 8 administrative offices, 36 airline service locations and 62 catering kitchens. All of the properties are in the United States, except for 2 office/airline service locations and 5 catering kitchens which are located in foreign countries. Ten of the catering kitchens are owned. Two of the catering kitchens and 9 of the airline service locations are provided by airlines to which services are

rendered. All other properties are leased.

CONVENTION SERVICES operates 34 offices and 87 multi-use facilities (exhibit construction, office and warehouse). All of the properties are in the United States, except for 3 offices and 9 warehouse facilities which are located in foreign countries. One of the offices and two of the warehouses are owned; all other properties are leased.

TRAVEL AND LEISURE AND PAYMENT SERVICES operates 25 offices, 23 foodservice facilities, 6 retail gift shops, 144 duty-free shops (located in airports and onboard cruise ships), 8 warehouses, 3 terminals, 4 garages and 9 hotels/lodges with ancillary foodservice and recreational facilities, and an icefield tour facility. In addition, 160 foodservice facilities are made available by firms to which services are provided. All of the properties are in the United States, except for 9 offices, 1 foodservice facility, 3 terminals, 4 garages, the icefield tour facility, and 3 hotels, which are located in foreign countries; and approximately 123 duty-free shops are operated in international waters on board cruise ships. Travel and Leisure and Payment Services owns 4 hotels and 5 of the hotels are operated pursuant to a concessionaire agreement. One warehouse, 3 foodservice facilities, 1 terminal and 3 garages are owned; all other properties are leased. The icefield tour facility is jointly owned and operated with Parks Canada.

Selected principal properties of the Corporation and its subsidiaries are as follows:

LOCATION	SQ FEET	FUNCTION
AIRLINE CATERING AND SERVICES:		
Atlanta International Airport (3 kitchens), Atlanta, Georgia	339,000	Catering Kitchen
O'Hare International Airport (3 kitchens), Chicago, Illinois	252,000	Catering Kitchen
Denver International Airport, Denver, Colorado	150,000	Catering Kitchen
Dulles International Airport, Washington, D.C.	120,000	Catering Kitchen
Los Angeles International Airport, Los Angeles, California	104,000	Catering Kitchen*
CONVENTION SERVICES:		
Roselle (Chicago), Illinois	475,000	Exhibit construction, office and warehouse
Fremont (San Francisco), California (3 buildings)	259,000	Exhibit construction, office and warehouse
Las Vegas, Nevada (5 buildings)	239,000	Office and warehouse facilities
Atlanta, Georgia	212,000	Office and warehouse
Avon (Boston), Massachusetts	210,000	Exhibit construction, office and warehouse
Orlando, Florida	204,000	Warehouse*
Edison, New Jersey	180,000	Exhibit construction, office and warehouse
Chula Vista, California	108,000	Warehouse*
Grapevine (Dallas), Texas	180,000	Exhibit construction,

		office and warehouse
Pittsburgh, Pennsylvania	170,000	Exhibit construction, office and warehouse
Henderson, Nevada	138,000	Warehouse
Washington, D.C.	84,000	Office and warehouse
TRAVEL AND LEISURE AND PAYMENT SERVICES:		
St. Louis Park, Minnesota	146,000	Office
Glacier Park Lodge, Glacier Park, Montana	135,000	Hotel*
Miami, Florida	109,000	Office and warehouse

* Owned.

Management believes that Viad's facilities in the aggregate are adequate and suitable for their purposes and that capacity is sufficient for current needs.

ITEM 3. LEGAL PROCEEDINGS.

Several shareholder derivative complaints were filed in the Delaware Court of Chancery in late December 1995 and early January 1996 against members of the Corporation's Board of Directors, and against the Corporation as a nominal defendant. The complaints variously allege fraud, negligence, mismanagement, corporate waste, breaches of fiduciary duty, and seek equitable relief and recovery from or on behalf of the Corporation for compensatory and other damages incurred by the Corporation as a result of alleged payment of excessive compensation, improper investments, or other improper activities. Viad and its counsel believe the claims are without merit. A lawsuit which was filed in the United States District Court, District of Arizona, on December 21, 1995, alleging many of the same issues against the same parties, against a former member of the Company's Board, and against certain officers of the Company has been dismissed.

In addition to the derivative complaints, Viad and certain subsidiaries are plaintiffs or defendants to various other actions, proceedings and pending claims, including multiple lawsuits filed by several hundred former railroad workers claiming asbestos-related health conditions from exposure to railroad equipment made by former subsidiaries. Certain of these pending legal actions are or purport to be class actions. Some of the foregoing involve, or may involve, claims for compensatory, punitive or other damages. Litigation is subject to many uncertainties and it is possible that some of the legal actions, proceedings or claims referred to above could be decided against Viad. Although the amount of liability at December 31, 1996, with respect to these matters is not ascertainable, Viad believes that any resulting liability will not materially affect Viad's financial position or results of operations.

A federal grand jury investigation of Viad's airline catering subsidiary's billing practices at several airport flight kitchen locations has been resolved with the U.S. Attorney's Office and affected airlines by a civil settlement within previously established reserves.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITYHOLDERS.

No matters were submitted to a vote of securityholders during the fourth quarter of 1996.

OPTIONAL ITEM. EXECUTIVE OFFICERS OF REGISTRANT.

The names, ages and positions of the executive officers of the Corporation as of March 15, 1997, are listed below:

NAME	AGE	OFFICE	EXECUTIVE POSITION HELD SINCE
Robert H. Bohannon	52	Chairman of the Board, President and Chief Executive Officer of Registrant	1997
L. Gene Lemon	56	Vice President-Administration of Registrant	1979
Ronald G.	55	Vice President-Finance	1987

Nelson		and Treasurer of Registrant	
Peter J. Novak	57	Vice President and General Counsel of Registrant	1996
Scott E. Sayre	50	Secretary and Associate General Counsel of Registrant	1997
Richard C. Stephan	57	Vice President-Controller of Registrant	1980
Charles J. Corsentino	50	President and Chief Executive Officer of Exhibitgroup/Giltspur, a division of Registrant	1991
Frederick J. Martin	62	President and Chief Executive Officer of Dobbs International Services, Inc., a subsidiary of Registrant	1985
Philip W. Milne	38	President and Chief Executive Officer of Travelers Express Company, Inc., a subsidiary of Registrant	1996
Paul B. Mullen	42	President and Chief Executive Officer of GES Exposition Services, Inc. a subsidiary of Registrant	1996

Each of the foregoing officers, with the exceptions set forth below, has served in the same, similar or other executive positions with Viad or its subsidiaries for more than the past five (5) years.

Prior to January 1997, Mr. Bohannon served as President and Chief Operating Officer of Registrant since August 15, 1996. Prior thereto he was President and Chief Executive Officer of Travelers Express Company, Inc. since 1993, and prior to that was a senior officer at Marine Midland Bank of Buffalo, New York.

Prior to February 1996, Mr. Novak was Deputy General Counsel of Registrant, and prior to serving in that position was Group General Counsel of Registrant.

Prior to August 1996, Mr. Milne was Vice President-General Manager-Retail Payment Products of Travelers Express Company, Inc., since May 15, 1993, and prior thereto served in similar executive capacities at Travelers Express Company, Inc.

Prior to May 1996, Mr. Mullen was President and Chief Executive Officer of Giltspur, Inc., since 1995. Prior thereto he was executive vice president and chief operating officer of Giltspur, Inc. since 1994, and prior to that, he was president of the Pittsburgh Division of Giltspur, Inc. since 1992.

Prior to January 1997, Mr. Sayre served as Assistant Secretary and Assistant General Counsel of Registrant since February 1996, and prior thereto was Assistant General Counsel.

The term of office of the executive officers is until the next annual organization meetings of the Boards of Directors of Viad or appropriate subsidiaries, all of which are scheduled for May or June of this year.

The Directors of Viad are divided into three classes, with the terms of one class of Directors to expire at each Annual Meeting of Stockholders. The current term of office of Robert H. Bohannon is scheduled to expire at the 1999 Annual Meeting of Stockholders.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The principal market on which the common stock of Viad is traded is the New York Stock Exchange. The common stock is also admitted for trading on the Midwest, Pacific, Philadelphia and Cincinnati Exchanges. The following tables summarize the high and low market prices as reported on the New York Stock Exchange Composite Tape and the cash dividends declared for the two years ended December 31, 1996:

	Sales Price Range of Common Stock			
	1996		1995	
Calendar Quarters	High	Low	High	Low
First	$33.25	$27.125	$26.125	$21.50
Second	30.75	27.50	26.375	23.50
Third (1)	30.25	13.375	25.625	20.875
Fourth	17.125	13.875	30.375	22.50

(1) On August 15, 1996, the spin-off of Viad's consumer products business, now conducted under the name The Dial Corporation, to the corporation's stockholders became effective. The closing price of the Corporation's shares immediately prior to the spin-off on August 15, 1996 was $26.375. The high and low prices for the period July 1, 1996 through August 15, 1996 were $30.25 and $25.25, respectively. The average price of The Dial Corporation common stock was $13.0625 on the day immediately following the August 15 distribution, and the average price of Viad Corp common stock was $14.3125 on the day immediately following the distribution. Viad's high and low prices for the period August 16, 1996, through September 30, 1996, were $15.25 and $13.375, respectively.

	Dividends Declared on Common Stock	
	1996	1995
February	$ .16	$ .15
May	.16	.15
August	.08 (2)	.16
November	.08	.16
TOTAL	$0.48	$0.62

(2) Viad's quarterly dividend decreased from $0.16 to $0.08 per share following the spin-off of The Dial Corporation. The Dial Corporation's initial dividend rate after the spin-off maintained the 1995 annual dividend rate for stockholders who retained shares of both companies following the spin-off.

Regular quarterly dividends have been paid on the first business day of January, April, July and October.

As of March 14, 1997, there were 67,648 holders of record of Viad's common stock.

ITEM 6. SELECTED FINANCIAL DATA.

Applicable information is included in Exhibit 13.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

Applicable information is included in Exhibit 13.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

1. Financial Statements--See Item 14 hereof.

2. Supplementary Data--See Condensed Consolidated Quarterly Results in Exhibit 13.

ITEM 9. DISAGREEMENTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

The information regarding Directors of the Registrant is included in Viad's Proxy Statement for Annual Meeting of Shareholders to be held on May 13, 1997 ("Proxy Statement"), and is incorporated herein and made a part hereof. The information regarding executive officers of the Registrant is found as an Optional Item in Part I hereof.

ITEM 11. EXECUTIVE COMPENSATION.

The information is contained in the Proxy Statement and is incorporated herein and made a part hereof.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information is contained in the Proxy Statement and is incorporated herein and made a part hereof.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

None.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a) The following documents are filed as a part of the report:

FINANCIAL STATEMENTS.

The following are included in Exhibit 13: Independent Auditors' Report and Consolidated Financial Statements (Balance Sheet, Statements of Income, Cash Flows, and Common Stock and Other Equity, and Notes to Financial Statements).

EXHIBITS. #

3.A Copy of Restated Certificate of Incorporation of Viad, as amended through August 15, 1996.*

3.B Copy of Bylaws of Viad Corp, as amended through February 20, 1997.*

4.A Instruments with respect to issues of long-term debt have not been filed as exhibits to this Annual Report on Form 10-K if the authorized principal amount of any one of such issues does not exceed 10% of total assets of the Corporation and its subsidiaries on a consolidated basis. The Corporation agrees to furnish a copy of each such instrument to the Securities and Exchange Commission upon request.

4.B Copy of Amended and Restated Credit Agreement dated as of July 24, 1996, among Viad, the Banks parties thereto, Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association as Documentation Agent.*

10.A1 Copy of Employment Agreement between Viad Corp and John W. Teets dated June 20, 1995, filed as Exhibit 10.A to Viad's Second Quarter 1995 Form 10-Q, is hereby incorporated by reference.+

10.A2 Copy of Consulting Agreement between Viad Corp and John W. Teets effective January 1, 1997.*+

10.B Sample forms of Contingent Agreements relating to funding of Supplemental Executive Pensions, filed as Exhibit (10)(T) to Viad's 1989 Form 10-K, is hereby incorporated by reference.+

10.C Copy of Viad Corp Supplemental Pension Plan, amended and restated as of January 1, 1987, filed as Exhibit (10)(F) to Viad's 1986 Form 10-K, is hereby incorporated by reference.+

10.C1 Copy of amendment dated February 21, 1991, to Viad's Supplemental Pension Plan, filed as Exhibit (10)(G)(i) to Viad's 1990 Form 10-K, is hereby incorporated by reference.+

10.C2 Copy of amendment dated August 18, 1993, to Viad's Supplemental Pension Plan, filed as Exhibit 10.C to

Viad's Second Quarter 1995 Form 10-Q, is hereby incorporated by reference.+

10.D Copy of Viad Corp Deferred Compensation Plan for Directors, as Amended and Restated July 25, 1996.*+

10.E1 Copy of Viad Corp Management Incentive Plan, filed as Exhibit 10.E to Viad's First Quarter 1995 Form 10-Q, is hereby incorporated by reference.+

10.E2 Copy of Viad Corp 1997 Management Incentive Plan.*+

10.F1 Copy of form of Executive Severance Agreement between Viad and three executive officers, filed as Exhibit (10)(G)(i) to Viad's 1991 Form 10-K, is hereby incorporated by reference.+

10.F2 Copy of forms of Viad Corp Executive Severance Plans covering certain executive officers, filed as Exhibit (10)(G)(ii) to Viad's 1992 Form 10-K, is hereby incorporated by reference.+

10.G Copy of Travelers Express Company, Inc. Supplemental Pension Plan amended and restated on June 12, 1995, filed as Exhibit 10.G to Viad's Third Quarter 1995 Form 10-Q, is hereby incorporated by reference.+

10.H1 Copy of Viad Corp 1983 Stock Option and Incentive Plan, filed as Exhibit (28) to Viad's Registration Statement on Form S-8 (Registration No. 33-41870), is hereby incorporated by reference.+

10.H2 Copy of amendment, effective August 1, 1994, to Viad Corp 1983 Stock Option and Incentive Plan, filed as Exhibit 10.H2 to Viad's 1994 Form 10-K, is hereby incorporated by reference.+

10.I1 Copy of Viad Corp 1992 Stock Incentive Plan, filed as Exhibit (10)(J) to Viad's 1991 Form 10-K, is hereby incorporated by reference.+

10.I2 Copy of amendment, effective August 1, 1994, to Viad Corp 1992 Stock Incentive Plan, filed as Exhibit 10.I2 to Viad's 1994 Form 10-K, is hereby incorporated by reference.+

10.J Copy of 1997 Viad Corp Omnibus Incentive Plan.*+

10.K Description of Spousal Income Continuation Plan, filed as Exhibit 10(Q) to Viad's 1985 Form 10-K, is hereby incorporated by reference.+

10.L Copy of Viad Corp Performance Unit Incentive Plan, filed as Exhibit 10.L to Viad's First Quarter 1995 Form 10-Q, is hereby incorporated by reference.+

10.L1 Copy of Viad Corp 1997 Performance Unit Incentive Plan.*+

10.M Copy of Viad Corp Supplemental TRIM Plan, filed as Exhibit 10.M to Viad's 1994 Form 10-K, is hereby incorporated by reference.+

10.N Copy of Employment Agreement between GES Exposition Services and Norton Rittmaster dated May 20, 1982, filed as Exhibit (10)(O) to Viad's 1992 Form 10-K, is hereby incorporated by reference.+

10.O Copy of Employment Agreement between Viad Corp and Paul Mullen dated April 25, 1996.*+

10.P Copy of Viad Corp Performance-Based Stock Plan, filed as Exhibit 10.P to Viad's 1993 Form 10-K, is hereby incorporated by reference.+

10.Q Copy of Viad Corp Deferred Compensation Plan, filed as Exhibit 10.Q to Viad's 1993 Form 10-K, is hereby incorporated by reference.+

10.R Copy of form of Viad Corp 1983 Stock Option and Incentive Plan Amended and Restated Restricted Stock Agreements dated August 12, 1994, between Viad and certain executive officers, filed as Exhibit 10.R to Viad's 1994 Form 10-K, is hereby incorporated by reference.+

10.S	Copy of form of Viad Corp 1992 Stock Incentive Plan Restricted Stock Agreements dated August 12, 1994, between Viad and certain executive officers, filed as Exhibit 10.S to Viad's 1994 Form 10-K, is hereby incorporated by reference.+
10.T	Copy of Viad Corp Director's Charitable Award Program as amended through March 15, 1996, filed as Exhibit 10.T to Viad's 1995 Form 10-K, is hereby incorporated by reference.+
10.U	Copy of Employment Agreement between Viad Corp and Robert H. Bohannon dated January 1, 1997.*+
10.V	Copy of GES Exposition Services, Inc. Supplemental Executive Retirement Plan effective August 1, 1995, filed as Exhibit 10.V to Viad's 1995 Form 10-K, is hereby incorporated by reference.+
11	Statement Re Computation of Per Share Earnings.*
13	Financial Information set forth in Annual Report to Securityholders.*
21	List of Subsidiaries of Viad.*
23	Consent of Independent Auditors to the incorporation by reference into specified registration statements on Form S-3 or on Form S-8 of their report contained in this report.*
24	Power of Attorney signed by directors of Viad.*
27	Financial Data Schedule.*

* Filed herewith.
\+ Management contract or compensation plan or arrangement.
\# Viad Corp was previously named The Dial Corp.

Note: The 1996 Annual Report to Securityholders will be furnished to the Commission when, or before, it is sent to securityholders.

(b) REPORTS ON FORM 8-K.

The Corporation filed no reports on Form 8-K during the last quarterly period covered by this report.

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Phoenix, Arizona, on the 24th day of March, 1997.

VIAD CORP

By: /s/ Robert H. Bohannon
Chairman of the Board, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Principal Executive Officer

Date: March 24, 1997 By: /s/ Robert H. Bohannon
Director; Chairman of the Board, President and Chief Executive Officer

Principal Financial Officer

Date: March 24, 1997 By: /s/ Ronald G. Nelson
Vice President-Finance and Treasurer

Principal Accounting Officer

Date: March 24, 1997 By: /s/ Richard C. Stephan
Vice President-Controller

Directors

Jess Hay
Judith K. Hofer
Jack F. Reichert
Linda Johnson Rice
Douglas L. Rock
John W. Teets
Timothy R. Wallace

Date: March 24, 1997 By: /s/ Richard C. Stephan
Attorney-in-Fact

RESTATED CERTIFICATE OF INCORPORATION
OF
THE NEW DIAL CORP.

1. The name of the corporation (which is hereinafter referred to as the Corporation) is "The New Dial Corp."

2. The original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on December 16, 1991, under the name The New Dial Corp.

3. This Restated Certificate of Incorporation has been duly proposed by resolutions adopted and declared advisable by the Board of Directors of the Corporation, duly adopted by written consent of the sole stockholder of the Corporation in lieu of a meeting and vote and duly executed and acknowledged by the officers of the Corporation in accordance with the provisions of Sections 103, 228, 242 and 245 of the General Corporation Law of the State of Delaware and, upon filing with the Secretary of State in accordance with Section 103 shall thenceforth supercede the original Certificate of Incorporation and shall, as it may thereafter be amended in accordance with its terms and applicable law, be the Certificate of Incorporation of the Corporation.

4. The text of the Certificate of Incorporation of the Corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE I

The name of the corporation (which is hereinafter referred to as the "Corporation") is:

The New Dial Corp.

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is The Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

ARTICLE III

The purpose of the Corporation shall be to engage in any lawful act or activity for which corporations may be organized and incorporated under the General Corporation Law of the State of Delaware (the "GCL").

ARTICLE IV

(A) Authorized Stock. The total number of shares of stock which the Corporation shall have authority to issue is 207,442,352, consisting of (i) Two Hundred Million (200,000,000) shares of Common Stock, par value $1.50 per share (hereinafter referred to as "Common Stock"), (ii) Four Hundred Forty-Two Thousand Three Hundred Fifty-Two (442,352) shares of Series $4.75 Preferred Stock, without par value but with a stated value of One Hundred Dollars ($100) per share (hereinafter referred to as "$4.75 Preferred Stock"), (iii) Five Million (5,000,000) shares of Preferred Stock, par value $.01 per share (hereinafter referred to as "Preferred Stock") and (iv) Two Million (2,000,000) shares of Junior Participating Preferred Stock, par value $.01 per share (hereinafter referred to as "Junior Preferred Stock").

(B) $4.75 Preferred Stock. The qualifications, limitations or restrictions of the $4.75 Preferred Stock shall be as follows:

(i) The holders of the $4.75 Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of the Corporation legally available for dividends, cumulative dividends in cash, payable on January 15, April 15, July 15, and October 15 in each year, beginning in the year 1992, at the annual rate of $4.75 per share, and no more, with the first payment to accrue from January 15, 1992 and be made on April 15, 1992.

(ii) In the event of any liquidation, dissolution or winding up of the Corporation, the holders of the $4.75

Preferred Stock shall be entitled to receive out of the assets of the Corporation available for distribution to shareholders an amount equal to $100 per share if such liquidation, dissolution or winding up be involuntary or, if such liquidation, dissolution or winding up be voluntary, an amount equal to $101 per share, plus, in each case, a further amount equal to all unpaid cumulative dividends on the $4.75 Preferred Stock accrued to the date when such payment shall be made available to the holders thereof, before any distribution of assets shall be made to the holders of the Common Stock or other shares ranking junior to the $4.75 Preferred Stock with respect to liquidation rights. After such amounts shall have been paid or irrevocably set aside for payment in full to the holders of the $4.75 Preferred Stock, they shall be entitled to no further payment or distribution other than from any such fund irrevocably set aside. If, upon such liquidation, dissolution or winding up, the assets thus distributable to the holders of the $4.75 Preferred Stock shall be insufficient to permit the payment to such holders of the preferential amounts aforesaid, then such assets shall be distributed ratably among the holders of the $4.75 Preferred Stock according to the number of shares held by each.

The liquidation, dissolution or winding up of the Corporation, as such terms are used in the foregoing paragraph, shall not be deemed to include any consolidation or merger of the Corporation with or into any one or more other corporations, or the sale of all or any of the assets of the Corporation.

(iii) The $4.75 Preferred Stock may be redeemed at any time, or from time to time, in whole or in part, at the option of the Corporation, expressed by resolution of the Board of Directors. The redemption price per share of the $4.75 Preferred Stock shall be $101, plus an amount equal to all unpaid cumulative dividends accrued on the shares to be redeemed to the date fixed for redemption.

Notice of every such redemption shall be given at least thirty days prior to the date fixed for such redemption to the holders of record of the shares so to be redeemed, and shall be sufficiently given if the Corporation shall cause a copy thereof to be mailed to such holders of record at their respective addresses as shown by the books of the Corporation by first class mail, postage prepaid; provided, however, that the failure to mail such notice to one or more of such holders shall not affect the validity of such redemption as to the other such holders.

In case of redemption of a part only of the $4.75 Preferred Stock at the time outstanding, the Corporation shall select by lot the shares so to be redeemed. The Board of Directors shall have full power and authority to prescribe the manner in which the selection by lot shall be conducted and, subject to the limitations and provisions herein contained, the terms and conditions upon which the $4.75 Preferred Stock shall be redeemed from time to time.

If such notice of redemption shall have been duly given, and if on or before the redemption date specified therein all funds necessary for such redemption shall be and continue to be available for payment on and after the redemption date upon surrender of the certificates for the shares so called for redemption, then, notwithstanding that any certificate for shares so called for redemption shall not have been surrendered for cancellation, the shares so called for redemption shall on and after such redemption date no longer be deemed to be outstanding, and all rights with respect to such shares shall forthwith on such redemption date terminate, except only the right of the holders of the certificates therefor, upon surrender thereof, to receive the amount payable on redemption thereof, without interest.

If such notice of redemption shall have been duly given, or if the Corporation shall have granted to the bank or trust company, hereinafter referred to, irrevocable authorization promptly to give or complete such notice, and if on or before the redemption date specified therein the funds necessary for such redemption shall have been deposited in trust for the pro rata benefit of the holders of the shares so called for redemption with a bank or trust company in good standing, designated in such notice, having capital, surplus and undivided profits aggregating at least $25,000,000 according to its then latest published statement

of condition, then, notwithstanding that such deposit shall have been made less than thirty days after the notice of redemption, and that any certificates for shares so called for redemption shall not have been surrendered for cancellation, from and after such deposit (or from and after the redemption date if such notice of redemption shall fail to state that the holders of the shares so called for redemption may receive their redemption price at any time after such deposit) all shares of $4.75 Preferred Stock with respect to which such deposit shall have been made shall no longer be deemed to be outstanding and all rights with respect to such shares shall forthwith terminate, except only the right of the holders of the certificates therefor, upon surrender thereof, to receive the redemption price thereof out of the funds so deposited, without interest. Any funds so deposited, and unclaimed at the end of six years from the redemption date, shall be released or repaid to the Corporation, after which the certificate holders entitled thereto shall look only to the Corporation for payment thereof, without interest.

The shares of $4.75 Preferred Stock which shall have been redeemed as aforesaid shall be retired, and shall be returned to the status of authorized but unissued Series $4.75 Preferred Stock.

(iv) So long as any shares of $4.75 Preferred Stock shall be outstanding, the Corporation (which for purposes of this subparagraph shall be deemed to include any predecessor issuer of $4.75 Preferred Stock which shall have merged into the Corporation) shall, on or before September 1 in each year, beginning in the year 1983, pay to a bank or trust company (hereinafter called the Sinking Fund Agent) appointed from time to time by the Corporation and being a bank or trust company meeting the requirements of paragraph (iii) above, as and for a sinking fund for the $4.75 Preferred Stock a sum sufficient for the redemption in such year, in accordance with the provisions of this paragraph (iv) of 6,000 shares of $4.75 Preferred Stock (hereinafter referred to as the sinking fund payment). As and for all or any part of any sinking fund payment, the Corporation may, on or before September 1 of each year, beginning in the year 1983, deliver to the Sinking Fund Agent certificates for $4.75 Preferred Stock (which shall be in canceled form) theretofore issued by the Corporation or any such predecessor by merger to the Corporation and which were repurchased by it or by such corporation merging into the Corporation or redeemed otherwise than through the operation of the sinking fund provided for in this paragraph (iv), and receive credit upon such sinking fund payment, with respect to a sum sufficient for the redemption, in accordance with the provisions of this paragraph (iv), of the number of shares of $4.75 Preferred Stock so delivered. Any moneys in the sinking fund for the $4.75 Preferred Stock on September 1 of any year shall be applied by the Sinking Fund Agent to the redemption on October 1 of such year of shares of $4.75 Preferred Stock at the sinking fund redemption price consisting of $100 per share plus an amount equal to all unpaid cumulative dividends accrued to the date fixed for redemption on each share so to be redeemed. Such redemption shall be effected by lot in such manner as the Sinking Fund Agent shall determine, and the Sinking Fund Agent is authorized to effect such redemption in the name of the Corporation in the manner and with the effect provided by paragraph (iii) above, except that the notice of redemption shall state that the shares are being redeemed for the sinking fund; provided, however, that if the amount of the sinking fund payment in any year shall be less than $25,000, such amount may, at the option of the Corporation, remain in the sinking fund and be applied as part of the next succeeding sinking fund payment. Shares of $4.75 Preferred Stock which shall be delivered to the Sinking Fund Agent by the Corporation as a credit upon a sinking fund payment or which shall be called for redemption through the operation of the sinking fund shall be retired, and, until all shares of Series $4.75 Preferred Stock outstanding at the time of such retirement have been redeemed or otherwise acquired by the Corporation, shall not be delivered for credit upon any sinking fund payment, and such shares shall be returned to the status of authorized but unissued Series $4.75 Preferred Stock.

If any sinking fund payment would be required at a time when dividends upon the $4.75 Preferred Stock shall be in arrears, the Corporation shall not be required to make a sinking fund payment at that time, but shall nevertheless be

considered, for the purposes hereof, to be in default with respect to its sinking fund obligations and shall be required to make such defaulted sinking fund payment at the earliest time thereafter when dividends upon the $4.75 Preferred Stock shall not be in arrears. Within forty days after the Corporation shall have made any such defaulted sinking fund payment, the Sinking Fund Agent shall apply the same to redemption of $4.75 Preferred Stock in the manner and at the price above in this paragraph (iv) provided.

(v) So long as any shares of $4.75 Preferred Stock shall be outstanding, no dividends, other than dividends payable in junior shares, shall be paid or declared, nor shall any distribution be made, on any junior shares nor shall any junior shares be acquired for a consideration by the Corporation or by any subsidiary, unless:

(a) Full cumulative dividends on the $4.75 Preferred Stock for all the then past and for the then current dividend periods shall have been paid, or declared and set apart for payment, except as otherwise provided in the last sentence of paragraph (i) above and

(b) All sinking fund payments required by paragraph (iv) above to have been made shall have been made in full.

(vi) So long as any shares of $4.75 Preferred Stock shall be outstanding, the Corporation shall not, without the affirmative vote of the holders of at least two-thirds of the shares of $4.75 Preferred Stock at the time outstanding, given in person or by proxy, either at a special meeting called for the purpose or at any annual meeting of shareholders if appropriate notice of such proposed action is given, at which the $4.75 Preferred Stock shall vote separately as a single class, or, alternatively, without the written consent of the holders of all the shares of $4.75 Preferred Stock at the time outstanding

(a) Amend or repeal any provision of or add any provision to this Certificate of Incorporation, or take any other action, so as to alter materially any existing provision of the $4.75 Preferred Stock; or

(b) Authorize, or increase, or issue, any class or series of any class of the shares of the Corporation ranking prior to the $4.75 Preferred Stock, or increase the authorized amount of the $4.75 Preferred Stock; provided, however, that no vote or consent of the holders of the $4.75 Preferred Stock shall be required to issue any shares, regardless of priority, for the purpose of redeeming or otherwise retiring the $4.75 Preferred Stock if, prior to or contemporaneously with the issuance thereof, provision has been made in accordance with the provisions of paragraph (iii) above for the redemption of all $4.75 Preferred Stock at the time outstanding; or

(c) Sell, lease or convey all or substantially all the property or business of the Corporation, or voluntarily liquidate or dissolve the Corporation, or consolidate or merge the Corporation with or into any other corporation; provided, however, that no such vote or consent of the holders of the $4.75 Preferred Stock shall be required for a consolidation or merger of the Corporation if each holder of shares of $4.75 Preferred Stock immediately prior to such consolidation or merger shall, upon the occurrence thereof, possess the same or equivalent number of shares of the resulting corporation (which may be the Corporation or another corporation) having substantially the same terms and provisions as the shares of $4.75 Preferred Stock and the resulting corporation will have, immediately after such consolidation or merger, no other shares either authorized or outstanding ranking prior to or on a parity with such shares.

(vii) So long as any shares of $4.75 Preferred Stock shall be outstanding, the Corporation shall not, without the affirmative vote of the holders of at least a majority of the shares of $4.75 Preferred Stock at the time outstanding, given in person or by proxy, either at a special meeting called for the purpose or at any annual meeting of shareholders if appropriate notice of such proposed action is given, at which the $4.75 Preferred Stock shall vote

separately as a single class, or, alternatively, without the written consent of the holders of all the shares of $4.75 Preferred Stock at the time outstanding, authorize, or increase, or issue, any class or series of any class of shares of the Corporation ranking on a parity with the $4.75 Preferred Stock; provided, however, that no vote or consent of the holders of the $4.75 Preferred Stock shall be required to issue any shares, regardless of parity, for the purpose of redeeming or otherwise retiring the $4.75 Preferred Stock, if prior to or contemporaneously with the issuance thereof, provision has been made in accordance with the provisions of paragraph (iii) above for the redemption of all the $4.75 Preferred Stock at the time outstanding.

(viii) For the purposes hereof the term "ranking prior to" the $4.75 Preferred Stock shall have reference to a class or series of a class of shares which is preferential to the $4.75 Preferred Stock with respect of dividends or liquidation rights; the term "ranking on a parity with" the $4.75 Preferred Stock shall have reference to a class or series of a class of shares which is equal to the $4.75 Preferred Stock with respect to dividends or liquidation rights and the term "junior shares" shall mean the Common Stock and any other class or series of a class of shares of the Corporation not ranking prior to or on a parity with the $4.75 Preferred Stock.

(ix) The holders of $4.75 Preferred Stock shall have no right to vote except as otherwise herein or by statute specifically provided.

If and when the Corporation shall be in default in the payment in whole or in part, of each of six quarterly dividends (whether or not consecutive) accrued on the $4.75 Preferred Stock, whether or not earned or declared, the holders of the outstanding $4.75 Preferred Stock, voting separately as a single class, shall become entitled to elect two directors of the Corporation to serve in addition to the directors elected pursuant to Article VIII of this Certificate of Incorporation. Such right to elect additional directors may be exercised at any annual meeting of shareholders, or, within the limitations hereinafter provided, at a special meeting of shareholders held for such purpose. If such default shall occur more than ninety days preceding the rate of the next annual meeting of shareholders as fixed by the Bylaws of the Corporation, then a special meeting of the holders of the $4.75 Preferred Stock shall be called by the Secretary of the Corporation upon the written request of the holders of not less than 10% of the $4.75 Preferred Stock then outstanding, such meeting to be held within sixty days after the delivery to the Secretary of such request. Such additional directors, whether elected at an annual or a special meeting, shall serve until the next annual meeting and until their successors shall be duly elected and qualified, unless their term shall sooner terminate pursuant to the provisions of this paragraph (ix). At any meeting for the purpose of electing such additional directors, the holders of 35% of the $4.75 Preferred Stock then outstanding shall constitute a quorum, and any such meeting shall be valid notwithstanding that a quorum of the outstanding shares of any other class or classes shall not be present or represented thereat. At the time of any such meeting at which a quorum shall be present, the number of directors constituting the whole Board of Directors shall be deemed to be increased by two. If a vacancy shall occur in the Board of Directors by reason of the death, resignation or inability to act of any such additional director, such vacancy shall be filled only by the vote of the holders of the $4.75 Preferred Stock, voting separately as a single class, at a special meeting of the holders of the $4.75 Preferred Stock requested, called and held in the same manner as the special meeting hereinabove referred to. If and when all dividends in default on the $4.75 Preferred Stock shall be paid or irrevocably set aside for payment, the right of the holders of the $4.75 Preferred Stock as a class to elect directors shall then cease, and if any directors were elected by the holders of the $4.75 Preferred Stock as a class, the term of such directors shall terminate, and the number of directors constituting the whole Board of Directors shall be reduced by the number of such additional directors. The above provisions for the vesting of such voting right in the holders of the $4.75 Preferred Stock as a class shall apply, however, in case of any subsequent default under this paragraph (ix).

Except as may be required by law, the holders of $4.75 Preferred Stock shall not be entitled to receive notice of any meeting of shareholders at which they are not entitled to vote or consent.

Except as in this Certificate of Incorporation or in a Preferred Stock Designation (as herein defined) or by statute specifically provided, the holders of the Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes. The total number of directors may be increased without any vote or consent of the holders of $4.75 Preferred Stock.

(x) No holder of $4.75 Preferred Stock, as such, shall have any preemptive right to subscribe to share obligations, warrants, rights to subscribe to shares or other securities of the Corporation of any kind or class, whether now or hereafter authorized.

(xi) The $4.75 Preferred Stock shall rank prior to all other classes and/or series of stock of the Corporation, both as to payment of dividends and as to distribution of assets upon liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary.

(C) Preferred Stock. The Preferred Stock may be issued from time to time in one or more series. The Board of Directors is hereby authorized to provide for the issuance of shares of Preferred Stock in series and, by filing a certificate pursuant to the applicable law of the State of Delaware (hereinafter, along with any similar designation relating to any other class of stock which may hereafter be authorized, referred to as a "Preferred Stock Designation"), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations and restrictions thereof. The authority of the Board of Directors with respect to each series shall include, but not be limited to, determination of the following:

(i) The designation of the series, which may be by distinguishing number, letter or title.

(ii) The number of shares of the series, which number the Board of Directors may thereafter (except where otherwise provided in the Preferred Stock Designation) increase or decrease (but not below the number of shares thereof then outstanding).

(iii) Whether dividends, if any, shall be cumulative or noncumulative and the dividend rate of the series.

(iv) Dates at which dividends, if any, shall be payable.

(v) The redemption rights and price or prices, if any, for shares of the series.

(vi) The terms and amount of any sinking fund provided for the purchase or redemption of shares of the series.

(vii) The amounts payable on and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

(viii) Whether the shares of the series shall be convertible into shares of any other class or series, or any other security, of the Corporation or any other corporation, and, if so, the specification of such other class or series of such other security, the conversion price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible and all other terms and conditions upon which such conversion may be made.

(ix) Restrictions on the issuance of shares of the same series or of any other class or series.

(x) The voting rights, if any, of the holders of shares of the series.

All shares of any series of Preferred Stock shall be subordinate to the $4.75 Preferred Stock, with respect to the payment of dividends as well as the distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

(D) Junior Preferred Stock. The qualifications, limitations or restrictions of the Junior Preferred Stock shall be as follows:

Section 1. Amount. The number of shares constituting the Junior Preferred Stock shall be as set forth in paragraph (A) of this Article IV.

Section 2. Dividends and Distributions.

(a) Subject to the rights of the holders of any shares of $4.75 Preferred Stock or any shares of any series of Preferred Stock (or any similar stock) ranking prior and superior to the Junior Preferred Stock with respect to dividends, the holders of shares of Junior Preferred Stock, in preference to the holders of Common Stock and of any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Junior Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (i) $1 or (ii) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Junior Preferred Stock. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of shares of Junior Preferred Stock were entitled immediately prior to such event under clause (ii) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(b) The Corporation shall declare a dividend or distribution on the Junior Preferred Stock as provided in paragraph (a) of this Section immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $1 per share on the Junior Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(c) Dividends shall begin to accrue and be cumulative on outstanding shares of Junior Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Junior Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Junior Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date

for the determination of holders of shares of Junior Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

Section 3. Voting Rights. The holders of shares of Junior Preferred Stock shall have the following voting rights:

(a) Subject to the provision for adjustment hereinafter set forth, each share of Junior Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the stockholders of the Corporation. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of shares of Junior Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(b) Except as provided in this Certificate of Incorporation, in any Preferred Stock Designation or in any certificate of designations creating any similar stock, or by law, the holders of shares of Junior Preferred Stock and the holders of shares of Common Stock and any other capital stock of the Corporation having general voting rights shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(c) Except as set forth herein, or as otherwise provided by law, holders of Junior Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

Section 4. Certain Restrictions.

(a) Whenever quarterly dividends or other dividends or distributions payable on the Junior Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Junior Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends, or make any other distributions, on any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Junior Preferred Stock;

(ii) declare or pay dividends, or make any other distributions, on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Junior Preferred Stock, except dividends paid ratably on the Junior Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Junior Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Junior Preferred Stock; or

(iv) redeem or purchase or otherwise acquire for consideration any shares of Junior Preferred Stock or any shares of stock ranking on a parity with the Junior Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined

by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (a) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

Section 5. Reacquired Shares. Any shares of Junior Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired promptly after the acquisition thereof. All such shares shall upon their retirement become authorized but unissued shares of Junior Preferred Stock and may be reissued as part of a new series of Junior Preferred Stock subject to the conditions and restrictions on issuance set forth herein or in any Certificate of Designations creating a series of Preferred Stock or any similar stock or as otherwise required by law.

Section 6. Liquidation, Dissolution or Winding Up. Upon any liquidation, dissolution or winding up of the Corporation, no distribution shall be made (1) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Junior Preferred Stock unless, prior thereto, the holders of shares of Junior Preferred Stock shall have received $100 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of shares of Junior Preferred Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of shares of Common Stock, or (2) to the holders of shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Junior Preferred Stock, except distributions made ratably on the Junior Preferred Stock and all such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of shares of Junior Preferred Stock were entitled immediately prior to such event under the proviso in clause (1) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case each share of Junior Preferred Stock shall at the same time be similarly exchanged or changed into an amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Junior Preferred Stock shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 8. No Redemption. The shares of Junior Preferred Stock shall not be redeemable.

Section 9. Rank. The Junior Preferred Stock shall rank, with respect to the payment of dividends and the distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, junior to the $4.75 Preferred Stock and to all series of the Corporation's Preferred Stock.

Section 10. Amendment. The Certificate of Incorporation of the Corporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Junior Preferred Stock so as to affect them adversely without the affirmative vote of the holders of at least two-thirds of the outstanding shares of Junior Preferred Stock, voting together as a single class.

(E) Common Stock. The Common Stock shall be subject to the express terms of the $4.75 Preferred Stock, the Junior Preferred Stock and the Preferred Stock and any series thereof. Each share of Common Stock shall be equal to each other share of Common Stock. The holders of shares of Common Stock shall be entitled to one vote for each such share upon all questions presented to the stockholders.

(F) Vote. Except as may be provided in this Certificate of Incorporation or in a Preferred Stock Designation, or as may be required by law, the Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes, and holders of $4.75 Preferred Stock, Junior Preferred Stock and Preferred Stock shall not be entitled to receive notice of any meeting of stockholders at which they are not entitled to vote.

(G) Record Holders. The Corporation shall be entitled to treat the person in whose name any share of its stock is registered as the owner thereof for all purposes and shall not be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether or not the Corporation shall have notice thereof, except as expressly provided by applicable law.

ARTICLE V

The Board of Directors is hereby authorized to create and issue, whether or not in connection with the issuance and sale of any of its stock or other securities or property, rights entitling the holders thereof to purchase from the Corporation shares of stock or other securities of the Corporation or any other corporation. The times at which and the terms upon which such rights are to be issued will be determined by the Board of Directors and set forth in the contracts or instruments that evidence such rights. The authority of the Board of Directors with respect to such rights shall include, but not be limited to, determination of the following:

(A) The initial purchase price per share or other unit of the stock or other securities or property to be purchased upon exercise of such rights.

(B) Provisions relating to the times at which and the circumstances under which such rights may be exercised or sold or otherwise transferred, either together with or separately from, any other stock or other securities of the Corporation.

(C) Provisions which adjust the number or exercise price of such rights or amount or nature of the stock or other securities or property receivable upon exercise of such rights in the event of a combination, split or recapitalization of any stock of the Corporation, a change in ownership of the Corporation's stock or other securities or a reorganization, merger, consolidation, sale of assets or other occurrence relating to the Corporation or any stock of the Corporation, and provisions restricting the ability of the Corporation to enter into any such transaction absent an assumption by the other party or parties thereto of the obligations of the Corporation under such rights.

(D) Provisions which deny the holder of a specified percentage of the outstanding stock or other securities of the Corporation the right to exercise such rights and/or cause the rights held by such holder to become void.

(E) Provisions which permit the Corporation to redeem or exchange such rights.

(F) The appointment of a rights agent with respect to such rights.

ARTICLE VI

(A) In furtherance of, and not in limitation of, the powers conferred by law, the Board of Directors is expressly authorized and empowered:

(i) to adopt, amend or repeal the Bylaws of the Corporation; provided, however, that the Bylaws adopted by the Board of Directors under the powers hereby conferred may be amended or repealed by the Board of Directors or by the stockholders having voting power with respect thereto, provided further that in the case of amendments by stockholders, the affirmative vote of the holders of at least 80 percent of the voting power of the then outstanding Voting Stock, voting together as a single class, shall be required to alter, amend or repeal any provision of the Bylaws; and

(ii) from time to time to determine whether and to what extent, and at what times and places, and under what conditions and regulations, the accounts and books of the Corporation, or any of them, shall be open to inspection of stockholders; and, except as so determined, or as expressly provided in this Certificate of Incorporation or in any Preferred Stock Designation, no stockholder shall have any right to inspect any account, book or document of the Corporation other than such rights as may be conferred by applicable law.

(B) The Corporation may in its Bylaws confer powers upon the Board of Directors in addition to the foregoing and in addition to the powers and authorities expressly conferred upon the Board of Directors by applicable law. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80 percent of the voting power of the then outstanding Voting Stock, voting together as a single class, shall be required to amend, repeal or adopt any provision inconsistent with subparagraph (i) of paragraph (A) of this Article VI. For the purposes of this Certificate of Incorporation, "Voting Stock" shall mean the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors.

ARTICLE VII

Subject to the rights of the holders of $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock as set forth in the Certificate of Incorporation, to elect additional directors under specific circumstances, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing in lieu of a meeting of such stockholders. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of at least 80 percent of the voting power of the then outstanding Voting Stock, voting together as a single class, shall be required to amend, repeal or adopt any provision inconsistent with this Article VII.

ARTICLE VIII

(A) Subject to the rights of the holders of $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock as set forth in the Certificate of Incorporation, to elect additional directors under specific circumstances, the number of directors of the Corporation shall be fixed by the Bylaws of the Corporation and may be increased or decreased from time to time in such a manner as may be prescribed by the Bylaws.

(B) Unless and except to the extent that the Bylaws of the Corporation shall so require, the election of directors of the Corporation need not be by written ballot.

(C) The directors, other than those who may be elected by the holders of the $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock as set forth in the Certificate of Incorporation, shall be divided into three classes, as nearly equal in number as possible. One class of directors shall be initially elected for a term expiring at the annual meeting of stockholders to be held in 1992, another class shall be initially elected for a term expiring at the annual

meeting of stockholders to be held in 1993, and another class shall be initially elected for a term expiring at the annual meeting of stockholders to be held in 1994. Members of each class shall hold office until their successors are elected and qualified. At each succeeding annual meeting of the stockholders of the Corporation, the successors of the class of directors whose term expires at that meeting shall be elected by a plurality vote of all votes cast at such meeting to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

(D) Subject to the rights of the holders of $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock as set forth in the Certificate of Incorporation, to elect additional directors under specific circumstances, any director may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least 80 percent of the voting power of the then outstanding Voting Stock, voting together as a single class.

(E) Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80 percent of the voting power of the then outstanding Voting Stock, voting together as a single class, shall be required to amend, repeal or adopt any provision inconsistent with this Article VIII.

ARTICLE IX

Section 1. Vote Required for Certain Business Combinations.

(A) Higher Vote for Certain Business Combinations. In addition to any affirmative vote required by law or this Certificate of Incorporation, and except as otherwise expressly provided in Section 2 of this Article IX:

(i) any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with (a) any Interested Stockholder (as hereinafter defined), or (b) any other corporation (whether or not itself an Interested Stockholder) which is, or after such merger or consolidation would be, an Affiliate (as hereinafter defined) of an Interested Stockholder; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Stockholder, including all Affiliates of the Interested Stockholder, of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value (as hereinafter defined) of $10,000,000 or more; or

(iii) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to any Interested Stockholder, including all Affiliates of the Interested Stockholder, in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of $10,000,000 or more; or

(iv) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of an Interested Stockholder or any Affiliates of an Interested Stockholder; or

(v) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not an Interested Stockholder is a party thereto) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which are directly or indirectly owned by any Interested Stockholder or one or more Affiliates of the Interested Stockholder;

shall require the affirmative vote of the holders of at least 66 2/3% of the voting power of the then outstanding Voting Stock, voting together as a single class, including the affirmative vote of the holders of at least 66 2/3% of the voting power of the then outstanding Voting Stock not owned directly or indirectly by any Interested Stockholder or any Affiliate of any Interested Stockholder. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a

lesser percentage may be permitted, by law or in any agreement with any national securities exchange or otherwise.

(B) Definition of "Business Combination." The term "Business Combination" as used in this Article IX shall mean any transaction described in any one or more of clauses (i) through (v) of paragraph (A) of this Section 1.

Section 2. When Higher Vote is Not Required. The provisions of Section I of this Article IX shall not be applicable to any particular Business Combination, and such Business Combination shall require only such affirmative vote as is required by law or any other provision of this Certificate of Incorporation, if the conditions specified in either of the following paragraphs (A) or (B) are met:

(A) Approval by Continuing Directors. The Business Combination shall have been approved by a majority of the Continuing Directors (as hereinafter defined).

(B) Price and Procedure Requirements. All of the following conditions shall have been met:

(i) The aggregate amount of the cash and the Fair Market Value (as hereinafter defined) as of the date of the consummation of the Business Combination of consideration other than cash, to be received per share by holders of Common Stock in such Business Combination, shall be at least equal to the highest of the following:

(a) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Stockholder for any shares of Common Stock acquired by it (1) within the two-year period immediately prior to the first public announcement of the proposal of such Business Combination (the "Announcement Date"), or (2) in the transaction in which it became an Interested Stockholder, whichever is higher;

(b) the Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Interested Stockholder became an Interested Stockholder (the "Determination Date"), whichever is higher; and

(c) (if applicable) the price per share equal to the Fair Market Value per share of Common Stock determined pursuant to paragraph (B)(i)(b) above, multiplied by the ratio of (1) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Stockholder for any shares of Common Stock acquired by it within the two-year period immediately prior to the Announcement Date to (2) the Fair Market Value per share of Common Stock on the first day in such two-year period upon which the Interested Stockholder acquired any shares of Common Stock.

(ii) The aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by holders of shares of any other class, other than Common Stock or Excluded Preferred Stock, of outstanding Voting Stock shall be at least equal to the highest of the following (it being intended that the requirements of this paragraph (B)(ii) shall be required to be met with respect to every such class of outstanding Voting Stock whether or not the Interested Stockholder has previously acquired any shares of a particular class of Voting Stock):

(a) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Stockholder for any shares of such class of Voting Stock acquired by it (1) within the two-year period immediately prior to the Announcement Date, or (2) in the transaction in which it became an Interested Stockholder, whichever is higher;

(b) (if applicable) the highest preferential amount per share to which the holders of shares of such class of Voting Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation;

(c) the Fair Market Value per share of such class of Voting Stock on the Announcement Date or on the Determination Date, whichever is higher; and

(d) (if applicable) the price per share equal to the Fair Market Value per share of such class of Voting Stock determined pursuant to paragraph (B)(ii)(c) above, multiplied by the ratio of (1) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Stockholder for any shares of such class of Voting Stock acquired by it within the two-year period immediately prior to the Announcement Date to (2) the Fair Market Value per share of such class of Voting Stock on the first day in such two-year period upon which the Interested Stockholder acquired any shares of such class of Voting Stock.

(iii) The consideration to be received by holders of a particular class of outstanding Voting Stock (including Common Stock and other than Excluded Preferred Stock) shall be in cash or in the same form as the Interested Stockholder has previously paid for shares of such class of Voting Stock. If the Interested Stockholder has paid for shares of any class of Voting Stock with varying forms of consideration, the form of consideration for such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of such class of Voting Stock previously acquired by it.

(iv) After such Interested Stockholder has become an Interested Stockholder and prior to the consummation of such Business Combination: (a) there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on any outstanding preferred stock, except as approved by a majority of the Continuing Directors; (b) there shall have been no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by a majority of the Continuing Directors; (c) there shall have been an increase in the annual rate of dividends as necessary fully to reflect any recapitalization (including any reverse stock split), reorganization or any similar reorganization which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and (d) such Interested Stockholder shall not have become the Beneficial Owner of any additional Voting Stock except as part of the transaction which results in such Interested Stockholder becoming an Interested Stockholder.

(v) After such Interested Stockholder has become an Interested Stockholder, such Interested Stockholder shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

(vi) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to shareholders of the Corporation at least thirty (30) days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be marked pursuant to such Act or subsequent provisions).

Section 3. Certain Definitions. For purposes of this Article IX:

(A) "Person" shall mean any individual, firm, corporation or other entity.

(B) "Interested Stockholder" shall mean any Person (other than the Corporation or any Subsidiary) who or which:

(i) itself, or along with its Affiliates, is the Beneficial Owner, directly or indirectly, of more than 10% of the then outstanding Voting Stock; or

(ii) is an Affiliate of the Corporation and at any time within the two-year period immediately prior to the date in question was itself, or along with its Affiliates, the Beneficial Owner, directly or indirectly, of 10% or more of the then outstanding Voting Stock; or

(iii) is an assignee of or has otherwise succeeded to any Voting Stock which was at any time within the two-year period immediately prior to the date in question beneficially owned by any Interested Stockholder, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933.

(C) "Beneficial Owner" shall have the meaning ascribed to such term in Rule 13d-3 of the General Rules and Regulations of the Securities Exchange Act of 1934, as in effect on February 1, 1992. In addition, a Person shall be the "Beneficial Owner" of any Voting Stock which such Person or any of its Affiliates or Associates has (a) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (b) the right to vote pursuant to any agreement, arrangement or understanding (but neither such Person nor any such Affiliate or Associate shall be deemed to be the Beneficial Owner of any shares of Voting Stock solely by reason of a revocable proxy granted for a particular meeting of stockholders, pursuant to a public solicitation of proxies for such meeting, and with respect to which shares neither such Person nor any such Affiliate or Associate is otherwise deemed the Beneficial Owner).

(D) For the purpose of determining whether a Person is an Interested Stockholder pursuant to paragraph (B) of this Section 3, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned through application of paragraph (C) of this Section 3 but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options or otherwise.

(E) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on February 1, 1992.

(F) "Subsidiary" shall mean any corporation of which a majority of any share of equity security is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Interested Stockholder set forth in paragraph (B) of this Section 3, the term "Subsidiary" shall mean only a corporation of which a majority of each share of equity security is owned, directly or indirectly, by the Corporation.

(G) "Continuing Director" shall mean any member of the Board of Directors of the Corporation (the "Board") who is unaffiliated with the Interested Stockholder and was a member of the Board prior to the time that the Interested Stockholder became an Interested Stockholder, and any director who is thereafter chosen to fill any vacancy on the Board or who is elected and who, in either event, is unaffiliated with the Interested Stockholder and in connection with his or her initial assumption of office is recommended for appointment or election by a majority of Continuing Directors then on the Board.

(H) "Fair Market Value" shall mean (i) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange listed stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use in its stead, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by the Board in accordance with Section 4 of this Article IX; and (ii) in the case of property other than cash or stock, the fair market value of such property on the date in

question as determined by the Board in accordance with Section 4 of this Article IX.

(I) In the event of any Business Combination in which the Corporation survives, the phrase "other consideration to be received" as used in paragraphs (B)(i) and (ii) of Section 2 of this Article IX shall include the shares of Common Stock and/or the shares of any other class of outstanding Voting Stock retained by the holders of such shares.

(J) "Excluded Preferred Stock" means any series of Preferred Stock with respect to which a majority of the Continuing Directors have approved a Preferred Stock Designation creating such series that expressly provides that the provisions of this Article IX shall not apply.

Section 4. The Continuing Directors of the Corporation shall have the power and duty to determine for the purposes of this Article IX, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article IX, including, without limitation (i) whether a Person is an Interested Stockholder, (ii) the number of shares of Voting Stock beneficially owned by any Person, (iii) whether a Person is an Affiliate or Associate of another, (iv) whether the applicable conditions set forth in paragraph (B) of Section 2 of this Article IX have been met with respect to any Business Combination, (v) the Fair Market Value of stock or other property in accordance with paragraph (H) of Section 3 of this Article IX, and (vi) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Business Combination has, an aggregate Fair Market Value of $10,000,000 or more.

Section 5. No Effect on Fiduciary Obligations of Interested Stockholders. Nothing contained in this Article IX shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.

Section 6. Amendment, Repeal, etc. Notwithstanding any other provisions of this Certificate of Incorporation or the Bylaws of the Corporation (and notwithstanding the fact that a lesser percentage may be permitted by law, this Certificate of Incorporation or the Bylaws of the Corporation), but in addition to any affirmative vote of the holders of any particular class of the Voting Stock required by law or this Certificate of Incorporation, the affirmative vote of the holders of 66 2/3% of the voting power of the shares of the then outstanding Voting Stock voting together as a single class, including the affirmative vote of the holders of 66 2/3% of the voting power of the then outstanding Voting Stock not owned directly or indirectly by any Interested Stockholder or any Affiliate of any Interested Stockholder, shall be required to amend or repeal, or adopt any provisions inconsistent with, this Article IX of this Certificate of Incorporation.

ARTICLE X

Each person who is or was or had agreed to become a director or officer of the Corporation, or each such person who is or was serving or who had agreed to serve at the request of the Board of Directors or an officer of the Corporation as an employee or agent of the Corporation or as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (including the heirs, executor, administrators or estate of such person), shall be indemnified by the Corporation, in accordance with the Bylaws of the Corporation, to the fullest extent permitted from time to time by the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment) or any other applicable laws as presently or hereafter in effect. Without limiting the generality or the effect of the foregoing, the Corporation may enter into one or more agreements with any person which provide for indemnification greater or different than that provided in this Article X. Any amendment or repeal of this Article X shall not adversely affect any right or protection existing hereunder in respect of any act or omission occurring prior to such amendment or repeal.

ARTICLE XI

A director of the Corporation shall not be personally liable

to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. Any amendment or repeal of this Article XI shall not adversely affect any right or protection of a director of the Corporation existing hereunder in respect of any act or omission occurring prior to such amendment or repeal.

ARTICLE XII

Except as may be expressly provided in this Certificate of Incorporation, the Corporation reserves the right at any time and from time to time to amend, alter, change or repeal any provision contained in this Certificate of Incorporation or a Preferred Stock Designation, and any other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed herein or by applicable law, and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article XII; provided, however, that any amendment or repeal of Article X or Article XI of this Certificate of Incorporation shall not adversely affect any right or protection existing hereunder in respect of any act or omission occurring prior to such amendment or repeal; and provided further that no Preferred Stock Designation shall be amended after the issuance of any shares of the series of Preferred Stock created thereby, except in accordance with the terms of such Preferred Stock Designation and the requirements of applicable law; and provided further that paragraph (D) of Article IV hereof shall not be amended after the issuance of any shares of Junior Preferred Stock, except in accordance with the terms of such paragraph (D) and the requirements of applicable law.

IN WITNESS WHEREOF, said The New Dial Corp. has caused this Restated Certificate of Incorporation to be signed by its President and attested by its Secretary and has caused its corporate seal to be affixed, this 24th day of February, 1992.

THE NEW DIAL CORP.

By: /s/ John W. Teets
President

Attest: /s/ F.G. Emerson
Secretary

CERTIFICATE OF MERGER
OF
THE DIAL CORP
INTO
THE NEW DIAL CORP.

(Under Section 252 of The General Corporation Law of the State of Delaware)

The New Dial Corp., a corporation organized and existing under and by virtue of the laws of the State of Delaware, DOES HEREBY CERTIFY THAT:

1. The name and state of incorporation of each of the constituent corporations are:

(a) The Dial Corp, an Arizona corporation; and

(b) The New Dial Corp., a Delaware corporation.

2. An agreement of merger has been approved, adopted, certified, executed and acknowledged by The Dial Corp and by The New Dial Corp. in accordance with the provisions of subsection (c) of Section 252 of the General Corporation Law of the State of Delaware.

3. The name of the surviving corporation of the merger is

The New Dial Corp.

4. The certificate of incorporation of The New Dial Corp. shall be the certificate of incorporation of the surviving corporation, except that at the effective time of the merger Article I of the certificate of incorporation of The New Dial Corp. shall be amended to read in its entirety as follows:

I. The name of the Corporation is The Dial Corp.

5. The surviving corporation is a corporation of the State of Delaware.

6. The executed agreement of merger is on file at the principal place of business of The New Dial Corp. at 1850 North Central Avenue, Phoenix, Arizona 85077.

7. A copy of the agreement of merger will be furnished by The New Dial Corp., on request and without cost, to any stockholder of The Dial Corp or The New Dial Corp.

8. The authorized capital stock of The Dial Corp is 100,000,000 shares of common stock, par value $1.50 per share, 5,000,000 shares of preference stock, without par value, of which 442, 352 shares have been designated Series $4.75 Preferred Stock and 600,000 shares have been designated Junior Participating Preference Stock, and 5,000,000 shares of second preference stock, without par value.

IN WITNESS WHEREOF, The New Dial Corp. has caused this certificate to be executed by Richard C. Stephan, its Vice President, and attested by F.G. Emerson, its Secretary, on this 3rd day of March, 1992.

THE NEW DIAL CORP.

By: /s/ Richard C. Stephan
Vice President

ATTEST:

By: /s/ F.G. Emerson
Secretary

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

LEN INC.

INTO

THE DIAL CORP

The Dial Corp, a corporation organized and existing under the laws of the State of Delaware, pursuant to Sections 103 and 253 of the General Corporation Law of the State of Delaware, does hereby certify:

FIRST: That The Dial Corp (hereinafter the "Corporation") was incorporated on December 16, 1991 under the name "The New Dial Corp." pursuant to the General Corporation Law of the State of Delaware, the provisions of which permit the merger of a subsidiary corporation organized and existing under the laws of said State into a parent corporation organized and existing under the laws of said State.

SECOND: That this Corporation owns one hundred percent (100%) of the outstanding shares of stock of LEN Inc. (hereinafter "LEN"), a corporation incorporated on the 7th day of May, 1996 pursuant to the General Corporation Law of the State of Delaware.

THIRD: Effective as of August 15, 1996, the Corporation has distributed all of the outstanding capital stock of The Dial Corporation, a wholly owned subsidiary of the Corporation, to the stockholders of the Corporation.

FOURTH: That this Corporation, by the following resolution of its Board of Directors, duly adopted by the Board at a meeting on the 30th day of May, 1996, determined to and does hereby merge LEN into itself:

> RESOLVED, that conditioned upon effectiveness of the distribution of all of the outstanding capital stock of The Dial Corporation, a wholly owned subsidiary of the Corporation, to the stockholders of the Corporation, the Board of Directors approves the merger of LEN Inc., a wholly owned subsidiary of this Corporation, with and into this Corporation, in which this Corporation will be the surviving corporation and will assume all of the rights and obligations of LEN Inc. in accordance with Section 253 of the Delaware General Corporation law (the "DGCL") and pursuant to which the name of this Corporation shall be changed to Viad Corp, and approves and adopts such merger; and that the officers of the Corporation, and each of them, are authorized to executed and file a certificate of ownership and merger in accordance with Section 253 of the DGCL.

IN WITNESS WHEREOF, said The Dial Corp has caused this Certificate to be signed by Peter J. Novak, its Vice President - General Counsel this 15th day of August, 1996.

THE DIAL CORP

By: /s/ Peter J. Novak
Vice President-
General Counsel

Exhibit 3.B

BYLAWS
OF
VIAD CORP

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE
AS AMENDED FEBRUARY 20, 1997

ARTICLE I

OFFICES AND RECORDS

SECTION 1.1. DELAWARE OFFICE. The principal office of the Corporation in the State of Delaware shall be located in the City of Wilmington, County of New Castle, and the name and address of its registered agent is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware.

SECTION 1.2. OTHER OFFICES. The Corporation may have such other offices, either within or without the State of Delaware, as the Board of Directors may designate or as the business of the Corporation may from time to time require.

SECTION 1.3. BOOKS AND RECORDS. The books and records of the Corporation may be kept at the Corporation's headquarters in Phoenix, Arizona or at such other locations as may from time to time be designated by the Board of Directors.

ARTICLE II

STOCKHOLDERS

SECTION 2.1. ANNUAL MEETING. The annual meeting of the stockholders of the Corporation shall be held on the second Tuesday in May of each year, if not a legal holiday, and if a legal holiday then on the next succeeding business day, at 9:00 a.m., local time, at the principal executive offices of the Corporation, or at such other date, place and/or time as may be fixed by resolution of the Board of Directors.

SECTION 2.2. SPECIAL MEETING. Subject to the rights of the holders of the Series $4.75 Preferred Stock, without par value but with a stated value of $100 per share (the "$4.75 Preferred Stock"), any series of preferred stock, par value $.01 per share (the "Preferred Stock"), or any other series or class of stock as set forth in the Certificate of Incorporation of the Corporation to elect additional directors under specified circumstances, special meetings of the stockholders may be called only by the Chairman of the Board or by the Board of Directors pursuant to a resolution adopted by a majority of the total number of directors which the Corporation would have if there were no vacancies (the "Whole Board").

SECTION 2.3. PLACE OF MEETING. The Board of Directors may designate the place of meeting for any meeting of the stockholders. If no designation is made by the Board of Directors, the place of meeting shall be the principal office of the Corporation.

SECTION 2.4. NOTICE OF MEETING. Written or printed notice, stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called, shall be prepared and delivered by the Corporation not less than ten days nor more than sixty days before the date of the meeting, either personally, or by mail, to each stockholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid, addressed to the stockholder at his address as it appears on the stock transfer books of the Corporation. Such further notice shall be given as may be required by law. Meetings may be held without notice if all stockholders entitled to vote are present, or if notice is waived by those not present. Any previously scheduled meeting of the stockholders may be postponed by resolution of the Board of Directors upon public notice given prior to the time previously scheduled for such meeting of stockholders.

SECTION 2.5. QUORUM AND ADJOURNMENT. Except as otherwise provided by law or by the Certificate of Incorporation, the holders of a majority of the voting power of the outstanding shares of the Corporation entitled to vote generally in the election of directors (the "Voting Stock"), represented in person or by proxy, shall constitute a quorum at a meeting of stockholders, except that when specified business is to be voted

on by a class or series voting as a class, the holders of a majority of the shares of such class or series shall constitute a quorum for the transaction of such business. The chairman of the meeting or a majority of the voting power of the shares of Voting Stock so represented may adjourn the meeting from time to time, whether or not there is such a quorum (or in the case of specified business to be voted on a class or series, the chairman or a majority of the shares of such class or series so represented may adjourn the meeting with respect to such specified business). No notice of the time and place of adjourned meetings need be given except as required by law. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

SECTION 2.6. PROXIES. At all meetings of stockholders, a stockholder may vote by proxy executed in writing by the stockholder or as otherwise permitted by law, or by his duly authorized attorney-in-fact. Such proxy must be filed with the Secretary of the Corporation or his representative at or before the time of the meeting.

SECTION 2.7. NOTICE OF STOCKHOLDER BUSINESS AND NOMINATIONS.

(A) ANNUAL MEETINGS OF STOCKHOLDERS. (1) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders (a) pursuant to the Corporation's notice of meeting delivered pursuant to Section 2.4 of these Bylaws, (b) by or at the direction of the Chairman or the Board of Directors or (c) by any stockholder of the Corporation who is entitled to vote at the meeting, who complied with the notice procedures set forth in clauses (2) and (3) of this paragraph (A) and this Bylaw and who was a stockholder of record at the time such notice is delivered to the Secretary of the Corporation.

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (c) of paragraph (A)(1) of this Bylaw, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not less than seventy days nor more than ninety days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than twenty days, or delayed by more than seventy days, from such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the ninetieth day prior to such annual meeting and not later than the close of business on the later of the seventieth day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner and (ii) the class and number of shares of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner.

(3) Notwithstanding anything in the second sentence of paragraph (A) (2) of this Bylaw to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least eighty days prior to the first anniversary of the preceding year's annual meeting, a

stockholder's notice required by this Bylaw shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which such public announcement is first made by the Corporation.

(B) SPECIAL MEETINGS OF STOCKHOLDERS. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting pursuant to Section 2.4 of these Bylaws. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (a) by or at the direction of the Board of Directors or (b) by any stockholder of the Corporation who is entitled to vote at the meeting, who complies with the notice procedures set forth in this Bylaw and who is a stockholder of record at the time such notice is delivered to the Secretary of the Corporation. Nominations by stockholders of persons for election to the Board of Directors may be made at such a special meeting of stockholders if the stockholder's notice as required by paragraph (A) (2) of this Bylaw shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the ninetieth day prior to such special meeting and not later than the close of business on the later of the seventieth day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting.

(C) GENERAL. (1) Only persons who are nominated in accordance with the procedures set forth in this Bylaw shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Bylaw. Except as otherwise provided by law, the Restated Certificate of Incorporation or these Bylaws, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Bylaw and, if any proposed nomination or business is not in compliance with this Bylaw, to declare that such defective proposal or nomination shall be disregarded.

(2) For purposes of this Bylaw, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13,14 or 15(d) of the Exchange Act.

(3) Notwithstanding the foregoing provisions of this Bylaw, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Bylaw. Nothing in this Bylaw shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

SECTION 2.8. PROCEDURE FOR ELECTION OF DIRECTORS. Election of directors at all meetings of the stockholders at which directors are to be elected shall be by written ballot, and, except as otherwise set forth in the Certificate of Incorporation with respect to the right of the holders of the $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock to elect additional directors under specified circumstances, a plurality of the votes cast thereat shall elect. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, all matters other than the election of directors submitted to the stockholders at any meeting shall be decided by a majority of the votes cast with respect thereto.

SECTION 2.9. INSPECTORS OF ELECTIONS; OPENING AND CLOSING THE POLLS.

(A) The Board of Directors by resolution shall appoint one or more inspectors, which inspector or inspectors may include individuals who serve the Corporation in other capacities, including, without limitation, as officers, employees, agents or representatives of the Corporation, to act at the meeting and make a written report thereof. One or more persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been appointed to

act, or if all inspectors or alternates who have been appointed are unable to act, at a meeting of stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have the duties prescribed by the General Corporation Law of the State of Delaware.

(B) The chairman of the meeting shall fix and announce at the meeting the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting.

SECTION 2.10. NO STOCKHOLDER ACTION BY WRITTEN CONSENT. Subject to the rights of the holders of the $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock as set forth in the Certificate of Incorporation to elect additional directors under specific circumstances, any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

ARTICLE III

BOARD OF DIRECTORS

SECTION 3.1. GENERAL POWERS. The business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors. In addition to the powers and authorities by these Bylaws expressly conferred upon them, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law or by the Certificate of Incorporation or by these Bylaws required to be exercised or done by the stockholders.

SECTION 3.2. NUMBER, TENURE AND QUALIFICATIONS. Subject to the rights of the holders of the $4.75 Preferred Stock, any series of Preferred Stock, or any other series or class of stock as set forth in the Certificate of Incorporation, to elect directors under specified circumstances, the number of directors shall be fixed from time to time exclusively pursuant to a resolution adopted by a majority of the Whole Board, but shall consist of not more than seventeen nor less than three directors. The directors, other than those who may be elected by the holders of the $4.75 Preferred Stock, any series of Preferred Stock, or any other series or class of stock as set forth in the Certificate of Incorporation, shall be divided, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, with the term of office of the first class to expire at the 1992 annual meeting of stockholders, the term of office of the second class to expire at the 1993 annual meeting of stockholders and the term of office of the third class to expire at the 1994 annual meeting of stockholders. Each director shall hold office until his or her successor shall have been duly elected and qualified. At each annual meeting of stockholders, commencing with the 1992 annual meeting, (i) directors elected to succeed those directors whose terms then expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election, with each director to hold office until his or her successor shall have been duly elected and qualified, and (ii) if authorized by a resolution of the Board of Directors, directors may be elected to fill any vacancy on the Board of Directors, regardless of how such vacancy shall have been created.

Notwithstanding the foregoing, no outside director shall be nominated by the Board of Directors for election as a director for another term of office unless such term of office shall begin before he attains age 70, provided, however, that any outside director who had attained age 65 on May 10, 1983 may be nominated by the Board of Directors for election as a director for another term of office unless such term of office shall begin before he attains age 72; and no inside director's term of office shall continue after he attains age 65 or after the termination of his services as an officer or employee of the Corporation, unless such continuance is approved by a majority of the outside directors on the Board of Directors at the time the disqualifying event occurs and each time thereafter that such inside director is nominated for reelection. The term "outside director" means any person who has never served as an officer or employee of the Corporation or an affiliate and the term "inside director" means any director who is not an "outside director." Any person who is

ineligible for re-election as a director under this paragraph may, by a majority vote of the Board of Directors, be designated as a "Director Emeritus" and as such shall be entitled to receive notice of, and to attend meetings of, the Board of Directors, but shall not vote at such meetings.

SECTION 3.3. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, each annual meeting of stockholders. The Board of Directors may, by resolution, provide the time and place for the holding of additional regular meetings without other notice than such resolution.

SECTION 3.4. SPECIAL MEETINGS. Special meetings of the Board of Directors shall be called at the request of the Chairman of the Board, the President or a majority of the Board of Directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place and time of the meetings.

SECTION 3.5. NOTICE. Notice of any special meeting shall be given to each director at his business or residence in writing or by telegram or by telephone communication. If mailed, such notice shall be deemed adequately delivered when deposited in the United States mails so addressed, with postage thereon prepaid, at least five days before such meeting. If by telegram, such notice shall be deemed adequately delivered when the telegram is delivered to the telegraph company at least twenty-four hours before such meeting. If by facsimile transmission, such notice shall be transmitted at least twenty-hours before such meeting. If by telephone, the notice shall be given at least twelve hours prior to the time set for the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting, except for amendments to these Bylaws as provided under Section 7.1 of Article VII hereof. A meeting may be held at any time without notice if all the directors are present or if those not present waive notice of the meeting in writing, either before or after such meeting.

SECTION 3.6. QUORUM. A whole number of directors equal to at least a majority of the Whole Board shall constitute a quorum for the transaction of business, but if at any meeting of the Board of Directors there shall be less than a quorum present, a majority of the directors present may adjourn the meeting from time to time without further notice. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. The directors present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

SECTION 3.7. VACANCIES. Subject to the rights of the holders of the $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock, as set forth in the Certificate of Incorporation, to elect additional directors under specified circumstances, and unless the Board of Directors otherwise determines, vacancies resulting from death, resignation, retirement, disqualification, removal from office or other cause, and newly created directorships resulting from any increase in the authorized number of directors, may be filled only by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, and directors so chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which they have been elected expires and until such director's successor shall have been duly elected and qualified. No decrease in the number of authorized directors constituting the Whole Board shall shorten the term of any incumbent director.

SECTION 3.8. EXECUTIVE COMMITTEE. The Board of Directors, immediately following each annual meeting of stockholders or a special meeting of the same held in lieu of the annual meeting for the election of directors, shall meet and shall appoint from its number an Executive Committee of such number of members as from time to time may be selected by the Board, to serve until the next annual or special meeting at which a majority of directors is elected or until the respective successor of each is duly appointed. The Executive Committee shall possess and may exercise all the powers and authority of the Board of Directors in the management and direction of the business and affairs of the Corporation, except as limited by law and except for the power to change the membership or to fill vacancies in the Board or said Committee. The Board shall have the power at any time to change the membership of said Committee, to fill vacancies in it

or to make rules for the conduct of its business.

SECTION 3.9. REMOVAL. Subject to the rights of the holders of the $4.75 Preferred Stock, any series of Preferred Stock or any other series or class of stock, as set forth in the Certificate of Incorporation, to elect additional directors under specified circumstances, any director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least 80 percent of the voting power of the then outstanding Voting Stock, voting together as a single class.

ARTICLE IV

OFFICERS

SECTION 4.1. ELECTED OFFICERS. The elected officers of the Corporation shall be a Chairman of the Board, a President, a Secretary, a Treasurer, and such other officers as the Board of Directors from time to time may deem proper. The Chairman of the Board shall be chosen from the directors. All officers chosen by the Board of Directors shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Article IV. Such officers shall also have such powers and duties as from time to time may be conferred by the Board of Directors or by any committee thereof.

SECTION 4.2. ELECTION AND TERM OF OFFICE. The elected officers of the Corporation shall be elected annually by the Board of Directors at the regular meeting of the Board of Directors held after each annual meeting of the stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Subject to Section 4.7 of these Bylaws, each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign.

SECTION 4.3. CHAIRMAN OF THE BOARD. The Chairman of the Board shall preside at all meetings of the stockholders and of the Board of Directors. The Chairman of the Board shall be responsible for the general management of the affairs of the Corporation and shall perform all duties incidental to his office which may be required by law and all such other duties as are properly required of him by the Board of Directors. Except where by law the signature of the President is required, the Chairman of the Board shall possess the same power as the President to sign all certificates, contracts, and other instruments of the Corporation which may be authorized by the Board of Directors. He shall make reports to the Board of Directors and the stockholders, and shall perform all such other duties as are properly required of him by the Board of Directors. He shall see that all orders and resolutions of the Board of Directors and of any committee thereof are carried into effect.

SECTION 4.4. PRESIDENT. The President shall act in a general executive capacity and shall assist the Chairman of the Board in the administration and operation of the Corporation's business and general supervision of its policies and affairs. The President shall, in the absence of or because of the inability to act of the Chairman of the Board, perform all duties of the Chairman of the Board and preside at all meetings of stockholders and of the Board of Directors. The President may sign, alone or with the Secretary, or an Assistant Secretary, or any other proper officer of the Corporation authorized by the Board of Directors, certificates, contracts, and other instruments of the Corporation as authorized by the Board of Directors.

SECTION 4.5. SECRETARY. The Secretary shall give, or cause to be given, notice of all meetings of stockholders and Directors and all other notices required by law or by these Bylaws, and in case of his absence or refusal or neglect so to do, any such notice may be given by any person thereunto directed by the Chairman of the Board or the President, or by the Board of Directors, upon whose request the meeting is called as provided in these Bylaws. He shall record all the proceedings of the meetings of the Board of Directors, any committees thereof and the stockholders of the Corporation in a book to be kept for that purpose, and shall perform such other duties as may be assigned to him by the Board of Directors, the Chairman of the Board or the President. He shall have the custody of the seal of the Corporation and may affix the same to all instruments requiring it, and attest to the same.

SECTION 4.6. TREASURER. The Treasurer shall have the custody of the corporate funds and securities and shall keep full

and accurate account of receipts and disbursements in books belonging to the Corporation. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositaries as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, the Chairman of the Board, or the President, taking proper vouchers for such disbursements. The Treasurer shall render to the Chairman of the Board, the President and the Board of Directors, whenever requested, an account of all his transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, the Treasurer shall give the Corporation a bond for the faithful discharge of his duties in such amount and with such surety as the Board of Directors shall prescribe.

SECTION 4.7. REMOVAL. Any officer elected by the Board of Directors may be removed by a majority of the members of the Whole Board whenever, in their judgment, the best interests of the Corporation would be served thereby. No elected officer shall have any contractual rights against the Corporation for compensation by virtue of such election beyond the date of the election of his successor, his death, his resignation or his removal, whichever event shall first occur, except as otherwise provided in an employment contract or an employee plan.

SECTION 4.8. VACANCIES. A newly created office and a vacancy in any office because of death, resignation, or removal may be filled by the Board of Directors for the unexpired portion of the term at any meeting of the Board of Directors.

ARTICLE V

STOCK CERTIFICATES AND TRANSFERS

SECTION 5.1. STOCK CERTIFICATES AND TRANSFERS.

(A) The interest of each stockholder of the Corporation shall be evidenced by certificates for shares of stock in such form as the appropriate officers of the Corporation may from time to time prescribe, provided, that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of the stock of the Corporation shall be uncertificated shares. Notwithstanding the adoption of such a resolution by the Board of Directors, every holder of uncertificated shares shall be entitled to have a certificate signed by, or in the name of the corporation by the Chairman or Vice-Chairman of the Board of Directors, or the President or Vice-President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation representing the number of shares registered in certificate form. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

(B) The certificates of stock shall be signed, countersigned and registered in such manner as the Board of Directors may by resolution prescribe, which resolution may permit all or any of the signatures on such certificates to be in facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

(C) The shares of the stock of the Corporation represented by certificates shall be transferred on the books of the Corporation by the holder thereof in person or by his attorney, upon surrender for cancellation of certificates for the same number of shares, with an assignment and power of transfer endorsed thereon or attached thereto, duly executed, with such proof of the authenticity of the signature as the corporation or its agents may reasonably require. Upon receipt of proper transfer instructions from the registered owner of uncertificated shares such uncertificated shares shall be canceled and issuance of new equivalent uncertificated shares or certificated shares shall be made to the person entitled thereto and the transaction shall be recorded upon the books of the Corporation. Within a reasonable time after the issuance or transfer of uncertificated stock, the corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to the Delaware General Corporation Law or, unless otherwise provided by the Delaware General Corporation Law, a statement that the Corporation will

furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

SECTION 5.2. LOST, STOLEN, OR DESTROYED CERTIFICATES. No Certificate for shares or uncertificated shares of stock in the Corporation shall be issued in place of any certificate alleged to have been lost, destroyed or stolen, except on production of such evidence of such loss, destruction or theft and on delivery to the Corporation of a bond of indemnity in such amount, upon such terms and secured by such surety, as the Board of Directors or any financial officer may in its or his discretion require.

ARTICLE VI

MISCELLANEOUS PROVISIONS

SECTION 6.1. FISCAL YEAR. The fiscal year of the Corporation shall begin on the first day of January and end on the thirty-first day of December of each year.

SECTION 6.2. DIVIDENDS. The Board of Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and its Restated Certificate of Incorporation.

SECTION 6.3. SEAL. The corporate seal shall be in circular form and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal--Delaware."

SECTION 6.4. WAIVER OF NOTICE. Whenever any notice is required to be given to any stockholder or director of the Corporation under the provisions of the General Corporation Law of the State of Delaware, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the stockholders of the Board of Directors need be specified in any waiver of notice of such meeting.

SECTION 6.5. AUDITS. The accounts, books and records of the Corporation shall be audited upon the conclusion of each fiscal year by an independent certified public accountant selected by the Board of Directors, and it shall be the duty of the Board of Directors to cause such audit to be made annually.

SECTION 6.6. RESIGNATIONS. Any director or any officer, whether elected or appointed, may resign at any time by serving written notice of such resignation on the Chairman of the Board, the President or the Secretary, and such resignation shall be deemed to be effective as of the close of business on the date said notice is received by the Chairman of the Board, the President, or the Secretary or at such later date as is stated therein. No formal action shall be required of the Board of Directors or the stockholders to make any such resignation effective.

SECTION 6.7. INDEMNIFICATION AND INSURANCE. (A) Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit, or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative is or was a director, officer or employee of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of any other corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred by such person in connection therewith and such indemnification shall

continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in paragraph (B) of this Bylaw with respect to proceedings seeking to enforce rights to indemnification, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

(B) If a claim under paragraph (A) of this Bylaw is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the General Corporation Law of the State of Delaware for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the General Corporation Law of the State of Delaware, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(C) Following any "change in control" of the Corporation of the type required to be reported under Item 1 of Form 8-K promulgated under the Exchange Act, any determination as to entitlement to indemnification shall be made by independent legal counsel selected by the claimant, which independent legal counsel shall be retained by the Board of Directors on behalf of the Corporation.

(D) The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Bylaw shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

(E) The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the General Corporation Law of the State of Delaware.

(F) The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and rights to be paid by the Corporation the expenses incurred in defending any proceeding in advance of its final disposition, to any agent of the Corporation to the fullest extent of the provisions of this Bylaw with respect to the indemnification and advancement of expenses of directors, officers and employees of the Corporation.

(G) The right to indemnification conferred in this Bylaw shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that if the General Corporation Law of the State of Delaware requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director

or officer is not entitled to be indemnified under this Bylaw or otherwise.

(H) Any amendment or repeal of this Article VI shall not adversely affect any right or protection existing hereunder in respect of any act or omission occurring prior to such amendment or repeal.

SECTION 6.8. ELECTION NOT TO BE SUBJECT TO ARIZONA CONTROL SHARE ACQUISITIONS STATUTE. The Corporation elects not to be subject to Title 10, Chapter 23, Article 2 of the Arizona Revised Statutes, relating to "Control Share Acquisitions."

ARTICLE VII

AMENDMENTS

SECTION 7.1. AMENDMENTS. These Bylaws may be amended, added to, rescinded or repealed at any meeting of the Board of Directors or of the stockholders, provided notice of the proposed change was given in the notice of the meeting and, in the case of a meeting of the Board of Directors, in a notice given no less than twenty-four hours prior to the meeting; provided, however, that, in the case of amendments by stockholders, notwithstanding any other provisions of these Bylaws or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of stock required by law, the Certificate of Incorporation or these Bylaws, the affirmative vote of the holders of at least 80 percent of the voting power of the then outstanding Voting Stock, voting together as a single class, shall be required to alter, amend or repeal any provision of these Bylaws.

U.S. $400,000,000

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of July 24, 1996

Among

THE DIAL CORP
(to be known as VIAD CORP upon the effectiveness of this Agreement)

as Borrower

and

THE BANKS NAMED HEREIN

as Lenders

and

CITICORP USA, INC.

as Administrative Agent

and

BANK OF AMERICA
NATIONAL TRUST AND SAVINGS ASSOCIATION

as Documentation Agent

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SCHEDULES

EXHIBITS

U.S. $400,000,000

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of July 24, 1996

This AMENDED AND RESTATED CREDIT AGREEMENT (this "Agreement") is among THE DIAL CORP, a Delaware corporation, to be known as VIAD CORP on and after the Effective Date (as defined below) (the "Borrower"), the banks (the "Banks") listed on the signature pages hereof, CITICORP USA, INC. ("CUSA"), as administrative agent for the Lenders hereunder (in such capacity, the "Administrative Agent"), and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION ("B of A"), as documentation agent for the Lenders hereunder (in such capacity, the "Documentation Agent"; the Administrative Agent and the Documentation Agent being referred to together as the "Agents"). Certain capitalized terms have the meanings given to them in Section 1.01 hereof.

PRELIMINARY STATEMENTS

WHEREAS, the Borrower desires to effect the spin-off to the Borrower's stockholders of the Consumer Products Business currently being conducted by the Borrower directly and through certain of its subsidiaries;

WHEREAS, pursuant to the Distribution Agreement, on the Effective Date the Borrower shall (i) contribute all of the assets and liabilities of the Consumer Products Business, including the stock of certain subsidiaries, to The Dial Corporation, a newly formed Delaware corporation ("Newco") and a wholly-owned subsidiary of the Borrower, and (ii) distribute to the holders of Borrower Common Stock approximately 94.8 million shares of Newco Common Stock;

WHEREAS, pursuant to the Distribution Agreement and in conjunction with the Distribution, immediately prior to the Effective Date, Exhibitgroup shall be merged with and into the Borrower, with the Borrower as the surviving corporation;

WHEREAS, the Borrower, certain of the Banks, the Exiting Banks (as hereinafter defined), and Citibank and B of A, as Agents, are parties to that certain amended and restated credit agreement dated as of December 15, 1993, as such agreement has been and may be amended from time to time (as so amended, the "Existing Credit Agreement");

WHEREAS, the Borrower, the Banks, and the Agents desire to amend and restate the Existing Credit Agreement in its entirety in this Agreement in order to reflect the Distribution, but have agreed that this Agreement shall not become effective (except to the extent set forth in Section 8.06 hereof) and the Existing Credit Agreement shall remain in place until the Effective Date (which shall be the date of the Distribution) and the satisfaction of the terms and conditions set forth herein;

WHEREAS, the Borrower, certain financial institutions, and the Agents further desire to enter into the Newco Credit Agreement concurrently with this Agreement, and the Newco Credit Agreement shall not become effective until the Effective Date, at which time the Borrower shall assign and Newco shall assume the Newco Credit Agreement, upon the satisfaction of the terms and conditions set forth therein; and

WHEREAS, the Borrower and each bank that is party to the Existing Credit Agreement but is not a party to this Agreement (an "Exiting Bank") have agreed, pursuant to those certain letter agreements dated as of August 15, 1996, that all funding obligations and other obligations of the Exiting Banks under the Existing Credit Agreement will be terminated upon the effectiveness of this Agreement and, except as set forth in such letter agreements, all payment obligations and other obligations of the Borrower with respect to the Exiting Banks under the Existing Credit Agreement, on the terms and conditions set forth in such letter agreements, will be satisfied upon the effectiveness of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01. CERTAIN DEFINED TERMS. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"ADDITIONS TO CAPITAL" means the sum of (i) the aggregate net proceeds, including cash and the fair market value of property other than cash (as determined in good faith by the Board of Directors of the Borrower as evidenced by a Board resolution), received by the Borrower from the issue or sale (other than to a Subsidiary) of capital stock of the Borrower and (ii) the aggregate of 25% of the after tax gain realized from unusual, extraordinary, and major nonrecurring items including, but not limited to, the sale, transfer, or other disposition of (x) any of the stock of any of the Borrower's Subsidiaries or (y) substantially all of the assets of any geographic or other division or line of business of the Borrower or any of its Subsidiaries (but excluding any after tax loss realized on any such unusual, extraordinary, and major nonrecurring items to the extent they exceed any after tax gains on such items).

"ADJUSTED EURODOLLAR RATE" means, for any Interest Period for each Eurodollar Rate Advance comprising part of the same Borrowing, an interest rate per annum equal to the rate per annum obtained by dividing (a) the average (rounded upward to the nearest whole multiple of 1/16 of 1% per annum, if such average is not such a multiple) of the rate per annum at which deposits in U.S. dollars are offered by the principal office of each of the Reference Banks in London, England to prime banks in the London interbank market at 11:00 A.M. (London time) two Business Days before the first day of such Interest Period in an amount substantially equal to the respective Reference Bank's Eurodollar Rate Advance comprising part of such Borrowing and for a period equal to such Interest Period by (b) a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage. The Adjusted Eurodollar Rate for any Interest Period for each Eurodollar Rate Advance comprising part of the same Borrowing shall be determined by the Administrative Agent on the basis of applicable rates furnished to and received by the Administrative Agent from the Reference Banks two Business Days before the first day of such Interest Period, subject, however, to the provisions of Section 2.08.

"ADMINISTRATIVE AGENT" means CUSA, or any Person serving as its successor agent.

"ADVANCE" means a Committed Advance or a Bid Advance.

"AFFILIATE" means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person.

"AGENT" or "AGENTS" has the meaning specified in the introductory paragraph of this Agreement; provided, that, for purposes of Sections 7.02, 7.04, 7.05, 8.04, 8.07(b)(iv) and 8.12 of this Agreement the term "Agent" or "Agents", as the case may be, shall include Arrangers.

"AGREEMENT" means this Amended and Restated Credit Agreement as it may be amended, supplemented or otherwise modified from time to time.

"APPLICABLE LENDING OFFICE" means, with respect to each Lender, such Lender's Domestic Lending Office in the case of a Base Rate Advance, and such Lender's Eurodollar Lending Office in the case of a Eurodollar Rate Advance.

"APPLICABLE MARGIN" means, for any period for which any interest payment is to be made with respect to any Advance, the interest rate per annum derived by dividing (i) the sum of the Daily Margins for each of the days included in such period by (ii) the number of days included in such period.

"ARRANGERS" means Citicorp Securities, Inc. and BA Securities, Inc., collectively, and each individually is an "ARRANGER."

"ASSIGNMENT AND ACCEPTANCE" means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of EXHIBIT B hereto.

"BANKRUPTCY CODE" means Title 11 of the United States

Code entitled "Bankruptcy" as now and hereafter in effect, or any successor statute.

"BASE RATE" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time which rate per annum shall at all times be equal to the highest of:

(a) the rate of interest announced publicly by Citibank in New York, New York, from time to time, as Citibank's base rate (which is a rate set by Citibank based upon various factors including Citibank'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);

(b) the sum of (A) 1/2 of one percent per annum, plus (B) the rate obtained by dividing (x) the latest three-week moving average of secondary market morning offering rates in the United States for three-month certificates of deposit of major United States money market banks (such three-week moving average being determined weekly by Citibank on the basis of such rates reported by certificate of deposit dealers to and published by the Federal Reserve Bank of New York or, if such publication shall be suspended or terminated, on the basis of quotations for such rates received by Citibank, in either case adjusted to the nearest 1/4 of one percent or, if there is no nearest 1/4 of one percent, to the next higher 1/4 of one percent), by (y) a percentage equal to 100% minus the average of the daily percentages specified during such three-week period by the Board of Governors of the Federal Reserve System for determining the maximum reserve requirement (including, but not limited to, any marginal reserve requirements for Citibank in respect of liabilities consisting of or including (among other liabilities) three-month nonpersonal time deposits of at least $100,000), plus (C) the average during such three-week period of the daily net annual assessment rates estimated by Citibank for determining the current annual assessment payable by Citibank to the Federal Deposit Insurance Corporation for insuring three-month deposits in the United States; or

(c) 1/2 of one percent per annum above the Federal Funds Rate.

"BASE RATE ADVANCE" means a Committed Advance which bears interest at a rate per annum determined on the basis of the Base Rate, as provided in Section 2.07(a).

"BID ADVANCE" means an advance by a Lender to the Borrower as part of a Bid Borrowing resulting from the auction bidding procedure described in Section 2.03(a).

"BID BORROWING" means a borrowing consisting of simultaneous Bid Advances of the same Type from each of the Lenders whose offer to make one or more Bid Advances as part of such borrowing has been accepted by the Borrower under the auction bidding procedure described in Section 2.03(a).

"BID REDUCTION" has the meaning specified in Section 2.01(a).

"BORROWER" means The Dial Corp, a Delaware corporation, to be known as Viad Corp on and after the Effective Date.

"BORROWER COMMON STOCK" means the approximately 94.8 million shares of common stock, par value of $1.50 per share, of Borrower currently outstanding.

"BORROWING" means a Committed Borrowing or a Bid Borrowing.

"BUSINESS DAY" means a day of the year on which banks are not required or authorized to close in New York City or Los Angeles and, if the applicable Business Day relates to any Eurodollar Rate Advances, on which dealings are carried on in the London interbank market.

"CAPITAL LEASE" means, with respect to any Person, any lease of any property by that Person as lessee which would, in conformity with GAAP, be required to be accounted for as a capital lease on the balance sheet of that Person.

"CASH" means money, currency or a credit balance in a deposit account.

"CASH EQUIVALENTS" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition thereof, (b) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having the highest rating generally obtainable from either S&P or Moody's, (c) commercial paper maturing no more than one year from the date of creation thereof and, at the time of acquisition, having a rating of A-1 or higher from S&P or P-1 or higher from Moody's, and (d) certificates of deposit or bankers' acceptances maturing within one year from the date of acquisition thereof issued by any lender.

"CITIBANK" means Citibank, N.A.

"CLOSING DATE" means the date this Agreement is executed and the documents referred to in Section 3.01 are delivered to the Agents, which shall be July 24, 1996 or such other date as may be agreed upon by the Borrower and the Agents.

"CODE" means the Internal Revenue Code of 1986, as amended.

"COMMITMENT" has the meaning specified in Section 2.01

"COMMITMENT TERMINATION DATE" means, with respect to any Lender, the fifth anniversary of the Effective Date, or such later date to which the Commitment Termination Date of such Lender may be extended from time to time pursuant to Section 2.16 (or if any such date is not a Business Day, the next preceding Business Day).

"COMMITTED ADVANCE" means an advance by a Lender to the Borrower as part of a borrowing consisting of simultaneous Advances from each of the Lenders pursuant to Section 2.01 and refers to a Base Rate Advance or a Eurodollar Rate Advance, each of which shall be a "Type" of Advance.

"COMMITTED BORROWING" means a borrowing consisting of simultaneous Committed Advances of the same Type made on the same day pursuant to the same Notice of Borrowing by each of the Lenders pursuant to Section 2.01(b).

"COMPLIANCE CERTIFICATE" means a certificate substantially in the form of EXHIBIT F hereto, delivered to the Lenders by the Borrower pursuant to Section 5.10(b)(iii).

"CONVERT," "CONVERSION" and "CONVERTED" each refers to a conversion of Advances of one Type into Advances of another Type pursuant to Section 2.09.

"CONSUMER PRODUCTS BUSINESS" means the consumer products business, including certain assets and liabilities thereof, currently being conducted by the Borrower directly and through certain of its subsidiaries, to be contributed to Newco pursuant to the Distribution Agreement.

"DAILY MARGIN" means, for any date of determination, for the designated Level, Utilization Ratio applicable to such date of determination and Type of Advance, the following interest rates per annum:

DAILY MARGIN WHEN UTILIZATION RATIO IS EQUAL TO OR LESS THAN 0.50:1.00		DAILY MARGIN WHEN UTILIZATION RATIO IS GREATER THAN 0.50:1.00	
TYPE OF ADVANCE		TYPE OF ADVANCE	
BASE RATE ADVANCE	EURODOLLAR RATE ADVANCE	BASE RATE ADVANCE	EURODOLLAR RATE ADVANCE

LEVEL 1	0%	0.2000%	0%	0.2500%
LEVEL 2	0%	0.2400%	0%	0.2900%
LEVEL 3	0%	0.2750%	0%	0.3250%
LEVEL 4	0%	0.4375%	0%	0.4375%
LEVEL 5	0%	0.5000%	0%	0.5000%

For purposes of this definition, (a) "UTILIZATION RATIO" means, as of any date of determination, the ratio of (1) the aggregate outstanding principal amount of all Advances as of such date to (2) the aggregate amount of all Commitments in effect as of such date (whether used or unused), (b) if any change in the rating established by S&P, Moody's or Duff & Phelps with respect to Long-Term Debt shall result in a change in the Level, the change in the Daily Margin shall be effective as of the date on which such rating change is publicly announced, and (c) if the ratings established by any two of S&P, Moody's or Duff & Phelps with respect to Long-Term Debt are unavailable for any reason for any day, then the applicable level for such day shall be deemed to be Level 5 (or, if the Requisite Lenders consent in writing, such other Level as may be reasonably determined by the Requisite Lenders from a rating with respect to Long-Term Debt for such day established by another rating agency reasonably acceptable to the Requisite Lenders).

"DEBT" means (i) indebtedness for borrowed money or for the deferred purchase price of property or services, (ii) obligations as lessee under Capital Leases, (iii) obligations under guarantees in respect of indebtedness or in respect of obligations of others of the kinds referred to in clause (i) or (ii) above, (iv) liabilities in respect of unfunded vested benefits under Single Employer Plans, and (v) Withdrawal Liability incurred under ERISA by the Borrower or any of its ERISA Affiliates to any Multi-employer Plans; provided that "Debt" shall not include payment obligations in the ordinary course of the business of Travelers Express Company, Inc. ("Travelers Express") arising from (x) payments made by banks on checks or money orders issued by Travelers Express and presented to such banks and (y) contingent obligations of Travelers Express to banks which have issued official checks drawn on Travelers Express and have paid to Travelers Express the amounts of such official checks, to repay to such banks such amounts if such official checks are not negotiated.

"DESIGNATED BIDDER" means (i) an Eligible Assignee or (ii) a special purpose corporation which is engaged in making, purchasing or otherwise investing in commercial loans in the ordinary course of its business and that issues (or the parent of which issues) commercial paper rated at least "Prime-1" by Moody's or "A-1" by S&P or a comparable rating from the successor or either of them, that, in either case, (w) is organized under the laws of the United States or any State thereof, (x) shall have become a party hereto pursuant to Section 8.07(d), (e) and (f), (y) is not otherwise a Lender and (z) shall have been consented to by the Borrower, which consent shall not be unreasonably withheld.

"DESIGNATION AGREEMENT" means a designation agreement entered into by a Lender (other than a Designated Bidder) and a Designated Bidder, and accepted by the Administrative Agent, in substantially the form of EXHIBIT H hereto.

"DISTRIBUTION" means the distribution of approximately 94.8 million shares of Newco Common Stock, constituting 100% of the outstanding Newco Common Stock, to the holders of Borrower Common Stock pursuant to the Distribution Agreement, together with the consummation of the other transactions to occur in connection with such distribution, as set forth in the Distribution Agreement.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement by and among the Borrower, Newco, and Exhibitgroup, in the form of EXHIBIT A attached to the Form 10, with such changes as may be approved by the Requisite Lenders.

"DISTRIBUTION TIME" means the time of the Distribution on the Effective Date.

"DOCUMENTATION AGENT" means B of A, or any Person serving as its successor agent.

"DOLLARS" and the sign "$" each means lawful money of

the United States of America.

"DOMESTIC LENDING OFFICE" means, with respect to any Lender, the office of such Lender specified as its "Domestic Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Agents.

"DUFF & PHELPS" means Duff & Phelps Inc.

"EBITDA" means, for any period, consolidated net income plus provision for taxes of the Borrower and its Subsidiaries (excluding extraordinary, unusual, or nonrecurring gains or losses), plus interest expense of the Borrower and its Subsidiaries, plus depreciation expense of the Borrower and its Subsidiaries, plus amortization of intangibles of the Borrower and its Subsidiaries, as determined on a consolidated basis in conformity with GAAP; provided that to the extent that during such period the Borrower or any of its Subsidiaries has acquired or disposed of a business or businesses in an amount for any transaction or series of related transactions exceeding $15,000,000, such calculations shall be made as if such acquisition or disposition took place on the first day of such period (on a pro forma basis for the portion of such period prior to the date of such acquisition (or after the date of such disposition) and on an actual basis for the portion of such period after the date of such acquisition (or before the date of such disposition)).

"EFFECTIVE DATE" means the date on which the Distribution occurs, as provided for in the Distribution Agreement, and the conditions set forth in Section 3.02 are satisfied.

"EFFECTIVE TIME" means the time, immediately prior to the Distribution Time, at which this Agreement shall become fully effective upon satisfaction of the conditions precedent set forth in Section 3.02 hereof.

"ELIGIBLE ASSIGNEE" means (i) a commercial bank organized under the laws of the United States, or any state thereof, and having a combined capital and surplus of at least $100,000,000; (ii) a commercial bank organized under the laws of any other country which is a member of the Organization for Economical Cooperation and Development (the "OECD"), or a political subdivision of any such country and having a combined capital and surplus of at least $100,000,000, provided that such bank is acting through a branch or agency located in the country in which it is organized or another country which is also a member of the OECD; and (iii) any Person engaged in the business of lending and that is an Affiliate of a Lender or of a Person of which a Lender is a Subsidiary.

"ENVIRONMENTAL LAW" means any and all statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions of any federal, state or local governmental authority within the United States or any State or territory thereof and which relate to the environment or the release of any materials into the environment.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA AFFILIATE" means any Person who for purposes of Title IV of ERISA is a member of the Borrower's controlled group, or under common control with the Borrower, within the meaning of Section 414 of the Code and the regulations promulgated and rulings issued thereunder.

"ERISA EVENT" means (i) the occurrence of a reportable event, within the meaning of Section 4043 of ERISA (other than an event arising out of the transactions contemplated by the Distribution Agreement), unless the 30-day notice requirement with respect thereto has been waived by the PBGC; (ii) the provision by the administrator of any Pension Plan of a notice of intent to terminate such Pension Plan pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (iii) the cessation of operations

at a facility in the circumstances described in Section 4062(e) of ERISA; (iv) the withdrawal by the Borrower or an ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (v) the failure by the Borrower or any ERISA Affiliate to make a payment to a Pension Plan required under Section 302(f)(1) of ERISA, which Section imposes a lien for failure to make required payments; (vi) the adoption of an amendment to a Pension Plan requiring the provision of security to such Pension Plan, pursuant to Section 307 of ERISA; or (vii) the institution by the PBGC of proceedings to terminate a Pension Plan, pursuant to Section 4042 of ERISA, or the occurrence of any event or condition which, in the reasonable judgment of the Borrower, might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, a Pension Plan.

"EUROCURRENCY LIABILITIES" has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"EURODOLLAR LENDING OFFICE" means, with respect to any Lender, the office of such Lender specified as its "Eurodollar Lending Office" opposite its name on SCHEDULE I hereto or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"EURODOLLAR RATE ADVANCE" means a Committed Advance which bears interest as provided in Section 2.07(b) and/or a Bid Advance which bears interest based on the Adjusted Eurodollar Rate as provided in Section 2.03(a).

"EURODOLLAR RATE RESERVE PERCENTAGE" for any Interest Period for any Eurodollar Rate Advance means the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirements (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for member banks in the Federal Reserve System with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

"EVENTS OF DEFAULT" has the meaning specified in Section 6.01.

"EXHIBITGROUP" means Exhibitgroup Inc., a Delaware corporation and wholly-owned subsidiary of the Borrower which operates part of the Borrower's convention services business, and which shall be merged into the Borrower pursuant to the Merger.

"EXISTING CREDIT AGREEMENT" means that certain amended and restated credit agreement, dated as of December 15, 1993, by and among the Borrower, certain of the Lenders, certain of the Exiting Banks, and Citibank and B of A, as Agents, as such agreement has been and may be amended from time to time.

"FEDERAL FUNDS RATE" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"FIXED RATE" means, for the period for each Fixed Rate Advance comprising part of the same Bid Borrowing, the fixed interest rate per annum determined for such Advance, as provided in Section 2.03(a).

"FIXED RATE ADVANCE" means a Bid Advance which bears

interest at a fixed rate per annum determined as provided in Section 2.03(a).

"FORM 8-K" means that certain Current Report on Form 8-K filed by the Borrower with the SEC on June 13, 1996.

"FORM 10" means that certain Registration Statement on Form 10 originally filed by Newco with the SEC on June 5, 1996, as amended on July 18, 1996.

"FUNDED DEBT" means outstanding Debt of the Borrower and its Subsidiaries of the kind described in clauses (i), (ii) and (iii) of the definition of Debt.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"HOSTILE ACQUISITION" means the acquisition of the capital stock or other equity interests of a Person (the "Target") through a tender offer or similar solicitation of the owners of such capital stock or other equity interests which has not been approved (prior to such acquisition) by resolutions of the Board of Directors of the Target or by similar action if the Target is not a corporation and as to which such approval has not been withdrawn.

"INSUFFICIENCY" means, with respect to any Pension Plan, the amount, if any, of its unfunded benefit liabilities, as defined in Section 4001(a)(18) of ERISA.

"INTEREST PERIOD" means, for each Eurodollar Rate Advance comprising part of the same Borrowing, the period commencing on the date of such Eurodollar Rate Advance, or on the date of continuation of such Advance as a Eurodollar Rate Advance upon expiration of successive Interest Periods applicable thereto, or on the date of Conversion of a Base Rate Advance into a Eurodollar Rate Advance, and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one, two, three or six months, as the Borrower may select in the Notice of Borrowing or the Notice of Conversion/Continuation for such Advance; provided, however, that:

(i) the Borrower may not select any Interest Period which ends after the earliest Commitment Termination Date of any Lender then in effect;

(ii) Interest Periods commencing on the same date for Advances comprising part of the same Borrowing shall be of the same duration; and

(iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided, that if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day.

"LENDERS" means the Banks listed on the signature pages hereof and each Eligible Assignee that shall become a party hereto pursuant to Section 8.07 and, except when used in reference to a Committed Advance, a Committed Borrowing, a Commitment or a related term, each Designated Bidder.

"LEVEL" means Level 1, Level 2, Level 3, Level 4 or Level 5, as the case may be.

"LEVEL l" means that, as of any date of determination, the Borrower's Long-Term Debt rating is equal to or higher than at least two of the following: BBB+ from S&P, Baal from Moody's and/or BBB+ from Duff & Phelps.

"LEVEL 2" means that, as of any date of determination, the Borrower's Long-Term Debt rating is equal to at least two of the following: BBB from S&P, Baa2 from Moody's and/or

BBB from Duff & Phelps.

"LEVEL 3" means that, as of any date of determination, the Borrower's Long-Term Debt rating is equal to at least two of the following: BBB- from S&P, Baa3 from Moody's and/or BBB- from Duff & Phelps.

"LEVEL 4" means that, as of any date of determination, the Borrower's Long-Term Debt rating is equal to at least two of the following: BB+ from S&P, Bal from Moody's and/or BB+ from Duff & Phelps.

"LEVEL 5" means that, as of any date of determination, the Borrower's Long-Term Debt rating is lower than at least two of the following: BB+ from S&P, Bal from Moody's and/or BB+ from Duff & Phelps.

"LIEN" means any lien, mortgage, pledge, security interest, charge or encumbrance of any kind (including any conditional sale or other title retention agreement and any lease in the nature thereof).

"LOAN DOCUMENTS" means this Agreement and the related documents.

"LONG-TERM DEBT" means senior, unsecured, long term debt securities of the Borrower.

"MARGIN STOCK" has the meaning assigned to that term in Regulation U promulgated by the Board of Governors of the Federal Reserve System, as in effect from time to time.

"MATERIAL SUBSIDIARY" means any Subsidiary of the Borrower having total assets in excess of $10,000,000.

"MERGER" means the merger, pursuant to the Distribution Agreement, of the Borrower and Exhibitgroup, with the Borrower as the surviving corporation.

"MOODY'S" means Moody's Investors Service, Inc.

"MULTIEMPLOYER PLAN" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which the Borrower or any ERISA Affiliate of the Borrower is making, or is obligated to make, contributions or has within any of the preceding six plan years been obligated to make or accrue contributions.

"MULTIPLE EMPLOYER PLAN" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, which (i) is maintained for employees of the Borrower or an ERISA Affiliate and at least one Person other than the Borrower and its ERISA Affiliates or (ii) was so maintained and in respect of which the Borrower or an ERISA Affiliate could have liability under Section 4063, 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

"NET INCOME" means net income in accordance with GAAP.

"NET WORTH" means minority interests, preferred stock and common stock and other equity, as shown on the consolidated balance sheet of the Borrower and its Subsidiaries; provided that there shall be excluded from the calculation of Net Worth any unrealized gains or losses (net of taxes) on securities available for sale.

"NEWCO" means The Dial Corporation, a Delaware corporation, which immediately prior to the Distribution shall be capitalized by the Borrower with the assets and liabilities of the Consumer Products Business pursuant to the Distribution Agreement.

"NEWCO COMMON STOCK" means the approximately 94.8 million shares of common stock, par value of $0.01 per share, of Newco to be issued pursuant to the Distribution.

"NEWCO CREDIT AGREEMENT" means the Credit Agreement dated as of the Closing Date among the Borrower, the Banks and the Agents, which shall not become effective until the Effective Time upon the satisfaction or waiver of the terms and conditions contained therein and which shall be assumed by Newco at the Distribution Time.

"NOTICE OF BID BORROWING" has the meaning specified in Section 2.03(a).

"NOTICE OF BORROWING" means a Notice of Committed Borrowing or a Notice of Bid Borrowing, as the case may be.

"NOTICE OF COMMITTED BORROWING" has the meaning specified in Section 2.02(a).

"NOTICE OF CONVERSION/CONTINUATION" has the meaning specified in Section 2.09.

"PAYMENT OFFICE" means the principal office of CUSA, located on the date hereof at 1 Court Square, 7th Floor Zone 1, Long Island City, N.Y. 11120 (or such other place as the Administrative Agent may designate by notice to the Borrower and the Lenders from time to time).

"PBGC" means the U.S. Pension Benefit Guaranty Corporation.

"PENSION PLAN" means a Single Employer Plan or a Multiple Employer Plan or both.

"PERSON" means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

"POTENTIAL EVENT OF DEFAULT" means a condition or event which, after notice or lapse of time or both, would constitute an Event of Default if that condition or event were not cured or removed within any applicable grace or cure period.

"REFERENCE BANKS" means, B of A, Citibank, and Bank of Montreal.

"REGISTER" has the meaning specified in Section 8.07(c).

"REQUISITE LENDERS" means at any time Lenders holding at least 662/3% of the then aggregate unpaid principal amount of the Committed Advances held by Lenders, or, if no such principal amount is then outstanding, Lenders having at least 66-2/3 % of the Commitments (provided that, for purposes hereof, neither the Borrower, nor any of its Affiliates, if a Lender, shall be included in (i) the Lenders holding such amount of the Committed Advances or having such amount of the Commitments or (ii) determining the aggregate unpaid principal amount of the Committed Advances or the total Commitments).

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies.

"SEC" means the Securities and Exchange Commission and any successor agency.

"SINGLE EMPLOYER PLAN" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, which (i) is maintained for employees of the Borrower or any ERISA Affiliate and no Person other than the Borrower and its ERISA Affiliates or (ii) was so maintained and in respect of which the Borrower or an ERISA Affiliate could have liability under Section 4062 or 4069 of ERISA in the event such plan has been or were to be terminated.

"SUBSIDIARY" of any Person means any corporation, association, partnership or other business entity of which at least 50% of the total voting power of shares of stock or other securities entitled to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof.

"SWAPS" means, with respect to any Person, payment obligations with respect to interest rate swaps, currency swaps and similar obligations obligating such Person to make payments, whether periodically or upon the happening of a contingency.

"TERMINATION DATE" means, with respect to any Lender, the earlier of (i) the Commitment Termination Date of such Lender and (ii) the date of termination in whole of the Commitments of all Lenders pursuant to Section 2.05 or 6.01.

"TOTAL UTILIZATION OF COMMITMENTS" means at any date of

determination the sum of (i) the aggregate principal amount of all Committed Advances outstanding at such date plus (ii) the aggregate principal amount of all Bid Advances outstanding at such date.

"TYPE" means, with reference to an Advance, a Base Rate Advance, a Eurodollar Rate Advance, or a Fixed Rate Advance.

"WITHDRAWAL LIABILITY" has the meaning given such term under Part I of Subtitle E of Title IV of ERISA.

SECTION 1.02. COMPUTATION OF TIME PERIODS. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding".

SECTION 1.03. ACCOUNTING TERMS. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All computations determining compliance with financial covenants or terms, including definitions used therein, shall be prepared in accordance with generally accepted accounting principles in effect at the time of the preparation of, and in conformity with those used to prepare, the historical financial statements delivered to the Lenders pursuant to Section 4.01(e). If at any time the computations for determining compliance with financial covenants or provisions relating thereto utilize generally accepted accounting principles different than those then being utilized in the financial statements being delivered to the Lenders, such financial statements shall be accompanied by a reconciliation statement.

ARTICLE II
AMOUNTS AND TERMS OF THE ADVANCES

SECTION 2.01. THE COMMITTED ADVANCES.

(a) Each Lender severally agrees, on the terms and conditions hereinafter set forth, to make Committed Advances to the Borrower from time to time on any Business Day during the period from the Effective Date until the Termination Date of such Lender in an aggregate amount not to exceed at any time outstanding the amount set opposite such Lender's name on the signature pages hereof or, if such Lender has entered into any Assignment and Acceptance, set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 8.07(c), as such amount may be reduced pursuant to Section 2.04 (such Lender's "Commitment"); provided that the aggregate amount of the Commitments of the Lenders shall be deemed used from time to time to the extent of the aggregate amount of the Bid Advances and such deemed use of the aggregate amount of the Commitments shall be applied to the Lenders ratably according to their respective Commitments (such deemed use of the aggregate amount of the Commitments resulting from the Bid Advances being the "Bid Reduction"); provided further that (i) in no event shall the aggregate principal amount of Committed Advances from any Lender outstanding at any time exceed its Commitment then in effect and (ii) the Total Utilization of Commitments shall not exceed the aggregate Commitments then in effect.

(b) Each Committed Borrowing shall be in an aggregate amount not less than $5,000,000 or an integral multiple of $1,000,000 in excess thereof and shall consist of Committed Advances of the same Type made on the same day by the Lenders ratably according to their respective Commitments. Within the limits of each Lender's Commitment, the Borrower may from time to time borrow, prepay pursuant to Section 2.06(c) and reborrow under this Section 2.01.

SECTION 2.02. MAKING THE COMMITTED ADVANCES.

(a) Each Committed Borrowing shall be made on notice, given not later than (x) 11:00 A.M. (New York City time) on the date of a proposed Committed Borrowing consisting of Base Rate Advances and (y) 11:00 A.M. (New York City time) on the third Business Day prior to the date of a proposed Committed Borrowing consisting of Eurodollar Rate Advances, by the Borrower to the Administrative Agent, which shall give to each Lender prompt notice thereof by telecopier, telex or cable. Each such notice of a Committed Borrowing (a "Notice of Committed Borrowing") shall be by telecopier, telex or cable, confirmed immediately in writing, in substantially the form of EXHIBIT A-1 hereto, specifying therein the requested (i) date of such Committed Borrowing,

(ii) Type of Committed Advances comprising such Committed Borrowing, (iii) aggregate amount of such Committed Borrowing, and (iv) in the case of a Committed Borrowing comprised of Eurodollar Rate Advances, the initial Interest Period for each such Committed Advance. The Borrower may, subject to the conditions herein provided, borrow more than one Committed Borrowing on any Business Day. Each Lender shall, before 2:00 P.M. (New York City time) in the case of a Committed Borrowing consisting of Base Rate Advances and before 11:00 A.M. (New York City time) in the case of a Committed Borrowing consisting of Eurodollar Rate Advances, in each case on the date of such Committed Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 8.02, in same day funds, such Lender's ratable portion of such Committed Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's aforesaid address.

(b) Anything in subsection (a) above to the contrary notwithstanding,

(i) the Borrower may not select Eurodollar Rate Advances for any Committed Borrowing or with respect to the Conversion or continuance of any Committed Borrowing if the aggregate amount of such Committed Borrowing or such Conversion or continuance is less than $5,000,000;

(ii) there shall be no more than five Interest Periods relating to Committed Borrowings consisting of Eurodollar Rate Advances outstanding at any time;

(iii) if any Lender shall, at least one Business Day before the date of any requested Committed Borrowing, notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or that any central bank or other governmental authority asserts that it is unlawful, for such Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Rate Advances or to fund or maintain Eurodollar Rate Advances hereunder, the Commitment of such Lender to make Eurodollar Rate Advances or to Convert all or any portion of Base Rate Advances shall forthwith be suspended until the Administrative Agent shall notify the Borrower that such Lender has determined that the circumstances causing such suspension no longer exist and such Lender's then outstanding Eurodollar Rate Advances, if any, shall be Base Rate Advances; to the extent that such affected Eurodollar Rate Advances become Base Rate Advances, all payments of principal that would have been otherwise applied to such Eurodollar Rate Advances shall be applied instead to such Lender's Base Rate Advances; provided that if Requisite Lenders are subject to the same illegality or assertion of illegality, then the right of the Borrower to select Eurodollar Rate Advances for such Committed Borrowing or any subsequent Committed Borrowing or to Convert all or any portion of Base Rate Advances shall forthwith be suspended until the Administrative Agent shall notify the Borrower that the circumstances causing such suspension no longer exist, and each Committed Advance comprising such Committed Borrowing shall be a Base Rate Advance;

(iv) if fewer than two Reference Banks furnish timely information to the Administrative Agent for determining the Adjusted Eurodollar Rate for any Eurodollar Rate Advances comprising any requested Committed Borrowing, the right of the Borrower to select Eurodollar Rate Advances for such Committed Borrowing or any subsequent Committed Borrowing shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist, and each Advance comprising such Committed Borrowing shall be made as a Base Rate Advance; and

(v) if the Requisite Lenders shall, at least one Business Day before the date of any requested Committed Borrowing, notify the Administrative Agent

that the Adjusted Eurodollar Rate for Eurodollar Rate Advances comprising such Committed Borrowing will not adequately reflect the cost to such Requisite Lenders of making, funding or maintaining their respective Eurodollar Rate Advances for such Committed Borrowing, the right of the Borrower to select Eurodollar Rate Advances for such Committed Borrowing or any subsequent Committed Borrowing shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist, and each Committed Advance comprising such Committed Borrowing shall be made as a Base Rate Advance.

(c) Each Notice of Committed Borrowing shall be irrevocable and binding on the Borrower. In the case of any Committed Borrowing which the related Notice of Committed Borrowing specifies is to be comprised of Eurodollar Rate Advances, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Committed Borrowing or by reason of the termination of hedging or other similar arrangements, in each case when such Advance is not made on such date (other than by reason of (i) a breach of a Lender's obligations hereunder or (ii) a suspension of Eurodollar Rate Advances under clauses (iii), (iv) or (v) of paragraph (b) of this Section 2.02), including without limitation, as a result of any failure to fulfill on or before the date specified in such Notice of Committed Borrowing for such Committed Borrowing the applicable conditions set forth in Article III.

(d) Unless the Administrative Agent shall have received notice from a Lender prior to the date of any Committed Borrowing that such Lender will not make available to the Administrative Agent such Lender's ratable portion of such Committed Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of such Committed Borrowing in accordance with subsection (a) of this Section 2.02 and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Administrative Agent, such Lender and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Advances comprising such Committed Borrowing and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Lender's Advance as part of such Committed Borrowing for purposes of this Agreement.

(e) The failure of any Lender to make the Advance to be made by it as part of any Committed Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the date of any Committed Borrowing.

SECTION 2.03. MAKING THE BID ADVANCES.

(a) Each Lender severally agrees that the Borrower may make Bid Borrowings in Dollars under this Section 2.03 from time to time on any Business Day during the period from the Effective Date until the date occurring one month prior to the Termination Date, in the manner set forth below; provided that, after giving effect to the making of each Bid Borrowing, the Total Utilization of Commitments shall not exceed the aggregate Commitments then in effect and the aggregate amount of the Bid Advances of all Lenders then outstanding shall not exceed the aggregate Commitments then in effect.

(i) The Borrower may request a Bid Borrowing under this Section 2.03 by delivering to the Administrative Agent, by telecopier, telex or cable, confirmed immediately in writing, a notice of a Bid

Borrowing (a "Notice of Bid Borrowing"), in substantially the form of EXHIBIT A-2 hereto, specifying the date and aggregate amount of the proposed Bid Borrowing, the maturity date for repayment of each Bid Advance to be made as part of such Bid Borrowing (which maturity date may not be earlier than the date occurring thirty (30) days (in the case of Fixed Rate Advances) or one (1) month (in the case of Eurodollar Rate Advances) after the date of such Bid Borrowing, or in any case later than the Termination Date), whether the Lenders should offer to make Fixed Rate Advances or Eurodollar Rate Advances, the interest payment date or dates relating thereto, and any other terms to be applicable to such Bid Borrowing, not later than 10:00 A.M. (New York City time) (A) at least one (1) Business Day prior to the date of a proposed Bid Borrowing consisting of Fixed Rate Advances and (B) at least four (4) Business Days prior to the date of a proposed Bid Borrowing consisting of Eurodollar Rate Advances. The Administrative Agent shall in turn promptly notify each Lender of each request for a Bid Borrowing received by it from the Borrower by sending such Lender a copy of the related Notice of Bid Borrowing.

(ii) Each Lender may, if, in its sole discretion, it elects to do so, irrevocably offer to make one or more Bid Advances to the Borrower as part of such proposed Bid Borrowing at a Fixed Rate or Rates or a margin or margins relative to the Adjusted Eurodollar Rate, as requested by the Borrower. Each Lender electing to make such an offer shall do so by notifying the Administrative Agent (which shall give prompt notice thereof to the Borrower), before 10:00 A.M. (New York City time) (A) the date of such proposed Bid Borrowing, in the case of a Notice of Bid Borrowing delivered pursuant to clause (A) of paragraph (i) above and (B) three (3) Business Days before the date of such proposed Bid Borrowing, in the case of a Notice of Bid Borrowing delivered pursuant to clause (B) of paragraph (i) above, of the amount of each Bid Advance which such Lender would be willing to make as part of such proposed Bid Borrowing (which amount may, subject to the proviso to the first sentence of this Section 2.03(a), exceed such Lender's Commitment, if any), the Fixed Rate or Rates or margin or margins relative to the Adjusted Eurodollar Rate, as requested by the Borrower, which such Lender would be willing to accept for such Bid Advance and such Lender's Applicable Lending Office with respect to such Bid Advance; provided that if the Administrative Agent in its capacity as a Lender, or any affiliate of the Administrative Agent in its capacity as a Lender, shall, in its sole discretion, elect to make any such offer, it shall notify the Borrower of such offer before 9:00 A.M. (New York City time) on the date on which notice of such election is to be given to the Agent by the other Lenders.

(iii) The Borrower, in turn, (A) before 12:00 P.M. (New York City time) the date of such proposed Bid Borrowing, in the case of a Notice of Bid Borrowing delivered pursuant to clause (A) of paragraph (i) above and (B) before 12:00 Noon (New York City time) three (3) Business Days before the date of such proposed Bid Borrowing, in the case of a Notice of Bid Borrowing delivered pursuant to clause (B) of paragraph (i) above, either

(x) cancel such Bid Borrowing by giving the Administrative Agent notice to that effect, or

(y) accept one or more of the offers made by any Lender or Lenders pursuant to paragraph (ii) above, in its sole discretion, by giving notice to the Administrative Agent of the amount of each Bid Advance to be made by each Lender as part of such Bid Borrowing, and reject any remaining offers made by Lenders pursuant to paragraph (ii) above by giving the Administrative Agent notice to that effect; provided that acceptance of offers may only be made on the basis of ascending rates for Bid Borrowings of the same Type and duration; and provided further that the Borrower may not accept offers in excess of the aggregate amount requested in the Notice of Bid Borrowing; and provided

further still if offers are made by two or more Lenders for the same Type of Bid Borrowing for the same duration and with the same rate of interest, in an aggregate amount which is greater than the amount requested, such offers shall be accepted on a pro rata basis in proportion to the amount of the offer made by each such Lender.

(iv) If the Borrower notifies the Administrative Agent that such Bid Borrowing is cancelled pursuant to paragraph (iii)(x) above, the Administrative Agent shall give prompt notice thereof to the Lenders and such Bid Borrowing shall not be made.

(v) If the Borrower accepts (which acceptance may not be revoked) one or more of the offers made by any Lender or Lenders pursuant to paragraph (iii)(y) above, the Administrative Agent shall in turn promptly notify (A) each Lender that has made an offer as described in paragraph (ii) above, of the date and aggregate amount of such Bid Borrowing and whether or not any offer or offers made by such Lender pursuant to paragraph (ii) above have been accepted by the Borrower, (B) each Lender that is to make a Bid Advance as part of such Bid Borrowing, of the amount of each Bid Advance to be made by such Lender as part of such Bid Borrowing, and (C) each Lender that is to make a Bid Advance as part of such Bid Borrowing, upon receipt, that the Administrative Agent has received forms of documents appearing to fulfill the applicable conditions set forth in Article III.

(b) Each Lender that is to make a Bid Advance as part of a Bid Borrowing shall, before 1:00 P.M. (New York City time) on the date of such Bid Borrowing specified in the Notice of Bid Borrowing relating thereto, make available for the account of its Applicable Lending Office to the Administrative Agent at such account maintained at the Payment Office for Dollars as shall have been notified by the Administrative Agent to the Lenders prior thereto and in same day funds, such Lender's portion of such Bid Borrowing. Upon fulfillment of the applicable conditions set forth in Article III and after receipt by the Administrative Agent of such funds, the Administrative Agent will make such funds available to the Borrower requesting a Bid Advance at the aforesaid applicable Payment Office. Promptly after each Bid Borrowing the Administrative Agent will notify each Lender of the amount of the Bid Borrowing, the consequent Bid Reduction and the dates upon which such Bid Reduction commenced and will terminate. The Borrower shall indemnify each Lender which is to make a Bid Advance (as a result of the acceptance by the Borrower of one or more offers by such Lender) as part of a Bid Borrowing against any loss, cost or expense incurred by such Lender by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Bid Advance to be made by such Lender as part of such Bid Borrowing or by reason of the termination of hedging or other similar arrangements, in each case when such Bid Advance is not made on such date (other than by reason of a breach of a Lender's obligations hereunder), including without limitation, as a result of any failure to fulfill on or before the date specified in such notice of Bid Borrowing for such Bid Borrowing the applicable conditions set forth in Article III.

(c) Each Bid Borrowing shall be in an aggregate principal amount of not less than $5,000,000 with increments of $1,000,000 and, following the making of each Bid Borrowing, the Borrower and each Lender shall be in compliance with the limitations set forth in the proviso to the first sentence of subsection (a) above.

(d) Within the limits and on the conditions set forth in this Section 2.03, the Borrower may from time to time borrow under this Section 2.03, repay or prepay pursuant to subsection (e) below, and reborrow under this Section 2.03; provided that a Notice of Bid Borrowing shall not be given within seven (7) Business Days of the date of any other Notice of Bid Borrowing.

(e) The Borrower shall repay to the Administrative Agent for the account of each Lender which has made, or holds the right to repayment of, a Bid Advance to such Borrower on the maturity date of each Bid Advance (such maturity date being that specified by the Borrower for repayment of such Bid Advance in the related Notice of Bid

Borrowing delivered pursuant to subsection (a)(i) above) the then unpaid principal amount of such Bid Advance. The Borrower shall not have the right to prepay any principal amount of any Bid Advance unless, and then only on the terms, specified by the Borrower for such Bid Advance in the related Notice of Bid Borrowing delivered pursuant to subsection (a)(i) above.

(f) The Borrower shall pay interest on the unpaid principal amount of each Bid Advance from the date of such Bid Advance to the date the principal amount of such Bid Advance is repaid in full, at the rate of interest for such Bid Advance specified by the Lender making such Bid Advance in its notice with respect thereto delivered pursuant to subsection (a)(ii) above, payable on the interest payment date or dates specified by the Borrower for such Bid Advance in the related Notice of Bid Borrowing delivered pursuant to subsection (a)(i) above; provided that any principal amount of any Bid Rate Advance which is not paid when due (whether at stated maturity, by acceleration or otherwise) shall bear interest from the date on which such amount is due until such amount is paid in full, payable on demand, at a rate per annum equal at all times to (A) until the scheduled maturity date of such Bid Advances, the greater of (x) 2% per annum above the Base Rate in effect from time to time and (y) 2% per annum above the rate per annum required to be paid on such amount immediately prior to the date on which such amount became due, and (B) from and after the scheduled maturity date of such Bid Advances, 2% per annum above the Base Rate in effect from time to time.

SECTION 2.04. FEES.

(a) FACILITY FEES. The Borrower agrees to pay to the Administrative Agent for the account of each Lender (other than the Designated Bidders) a facility fee on such Lender's daily average Commitment, whether used or unused and without giving effect to any Bid Reduction, from the Effective Date in the case of each Lender and from the effective date specified in the Assignment and Acceptance pursuant to which it became a Lender in the case of each other Lender until the Termination Date of such Lender, payable quarterly in arrears on the last day of each March, June, September and December during the term of such Lender's Commitment, commencing September 30, 1996, and on the Termination Date of such Lender, in an amount equal to the product of (i) such Lender's daily average Commitment, whether used or unused and without giving effect to any Bid Reduction, in effect during the period for which such payment that is to be made times (ii) the weighted average rate per annum that is derived from the following rates: (a) a rate of 0.10% per annum with respect to each day during such period that the ratings with respect to Long-Term Debt were at Level 1, (b) a rate of 0.110% per annum with respect to each day during such period that such ratings were at Level 2, (c) a rate of 0.125% per annum with respect to each day during such period that such ratings were at Level 3, (d) a rate of 0.1875% per annum with respect to each day during such period that such ratings were at Level 4, and (e) at the rate of 0.2500% per annum with respect to each day during such period that such ratings were at Level 5. If any change in the rating established by S&P, Moody's or Duff & Phelps with respect to Long-Term Debt shall result in a change in the Level, the change in the commitment fee shall be effective as of the date on which such rating change is publicly announced. If the ratings established by any two of S&P, Moody's or Duff & Phelps with respect to Long-Term Debt are unavailable for any reason for any day, then the applicable level for purposes of calculating the commitment fee for such day shall be deemed to be Level 5 (or, if the Requisite Lenders consent in writing, such other Level as may be reasonably determined by the Requisite Lenders from a rating with respect to Long-Term Debt for such day established by another rating agency reasonably acceptable to the Requisite Lenders).

(b) BID ADVANCE ADMINISTRATION FEE. The Borrower agrees to pay the Administrative Agent for its own account a handling fee as set forth in that certain fee letter dated July 24, 1996 between the Administrative Agent and the Borrower in connection with each request for a Bid Advance pursuant to Section 2.03.

(c) AGENTS' FEES. The Borrower agrees to pay to each of the Agents the fees payable to each such Agent pursuant to the fee letters dated as of July 24, 1996 between the Borrower and CUSA and the fee letter dated as of July 9,

1996 between the Borrower and B of A, in the amounts and at the times specified in each of such letters.

(d) ADDITIONAL FEES. In the event the Effective Date has not occurred on or before September 30, 1996, the Borrower agrees to pay to the Administrative Agent for account of each Lender the fees payable to such Lenders pursuant to that certain fee letter dated as of July 24, 1996 between the Borrower and the Administrative Agent.

SECTION 2.05. TERMINATION AND REDUCTION OF THE COMMITMENTS.

(a) MANDATORY TERMINATION. In the event that a mandatory prepayment in full of the Advances is required by the Requisite Lenders pursuant to Section 2.06(b) (whether or not there are Advances outstanding), the Commitments of the Lenders shall immediately terminate.

(b) OPTIONAL REDUCTIONS. The Borrower shall have the right, upon at least three (3) Business Days' notice to the Administrative Agent, to terminate in whole or reduce ratably in part the unused portions of the respective Commitments of the Lenders; provided that (i) each partial reduction shall be in the aggregate amount of $5,000,000 or an integral multiple of $1,000,000 in excess thereof, and (ii) the aggregate of the Commitments of the Lenders shall not be reduced to an amount which is less than the Total Utilization of Commitments.

(c) NO REINSTATEMENT. Once so reduced or terminated pursuant to this Section 2.05, Commitments of the Lenders shall not be reinstated.

SECTION 2.06. REPAYMENT AND PREPAYMENT OF ADVANCES.

(a) MANDATORY REPAYMENT ON CERTAIN DATE. The Borrower shall repay the outstanding principal amount of (i) each Committed Advance made by each Lender on the Termination Date of such Lender, and (ii) each Bid Advance at the maturity date specified in the Notice of Bid Borrowing.

(b) MANDATORY PREPAYMENT IN CERTAIN EVENTS. If any one of the following events shall occur:

(i) any Person or Persons acting in concert shall acquire beneficial ownership of more than 40% of the Borrower's voting stock; or

(ii) during any period of up to 12 months, individuals who at the beginning of such period were directors of the Borrower shall cease to constitute a majority of the Borrower's board of directors; or

(iii) any Debt which is outstanding in a principal amount of at least $15,000,000 in the aggregate (but excluding Debt arising under this Agreement) of the Borrower or any of its Subsidiaries (as the case may be) shall be required to be prepaid (other than by a regularly scheduled required prepayment or by a required prepayment of insurance proceeds or by a required prepayment as a result of formulas based on asset sales or excess cash flow), redeemed, purchased or defeased, or an offer to prepay, redeem, purchase or defease such Debt shall be required to be made, in each case prior to the stated maturity thereof (other than as set forth in Section 6.01(d));

then, and in any such event, if the Administrative Agent shall have received notice from the Requisite Lenders that they elect to have the Advances prepaid in full and the Administrative Agent shall have provided notice to the Borrower that the Advances are to be prepaid in full, the Borrower shall immediately prepay in full the Advances, together with interest accrued to the date of prepayment and will reimburse the Lenders in respect thereof pursuant to Section 8.04(b).

(c) VOLUNTARY PREPAYMENTS OF COMMITTED BORROWINGS.

(i) The Borrower shall have no right to prepay any principal amount of any Advances other than as provided in this subsection (c).

(ii) The Borrower may, upon notice to the Administrative Agent no later than 11:00 A.M. (New York time) (i) on the date the Borrower proposes to prepay Committed Advances in the case of Base Rate Advances and (ii) at least two (2) Business Days' notice to the Administrative Agent in the case of Eurodollar Rate

Advances, stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amounts of the Advances comprising part of the same Committed Borrowing in whole or ratably in part; provided, however, that (x) each partial prepayment shall be in an aggregate principal amount not less than $5,000,000 and integral multiples of $1,000,000 in excess thereof, and (y) in the case of any such prepayment of any Eurodollar Rate Advance, the Borrower shall pay all accrued interest to the date of such prepayment on the portion of such Eurodollar Rate Advance being prepaid and shall be obligated to reimburse the Lenders in respect thereof pursuant to Section 8.04(b).

(d) NO PREPAYMENT OF BID BORROWINGS. The Borrower shall have no right to prepay any principal amount of any Bid Advances.

SECTION 2.07. INTEREST ON COMMITTED ADVANCES. The Borrower shall pay to each Lender interest accrued on the principal amount of each Committed Advance outstanding from time to time from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(a) BASE RATE ADVANCES. If such Committed Advance is a Base Rate Advance, a rate per annum equal at all times to (i) the Base Rate in effect from time to time plus (ii) the Applicable Margin, if any, payable quarterly in arrears on the last day of each March, June, September and December during the term of this Agreement, commencing September 30, 1996, and on the Termination Date of the applicable Lender; provided that any amount of principal, interest, fees and other amounts payable under this Agreement (including, without limitation, the principal amount of Base Rate Advances, but excluding the principal amount of Eurodollar Rate Advances) which is not paid when due (whether at stated maturity, by acceleration or otherwise) shall bear interest from the date on which such amount is due until such amount is paid in full, payable on demand, at a rate per annum equal at all times to 2% per annum above the Base Rate in effect from time to time.

(b) EURODOLLAR RATE ADVANCES. If such Committed Advance is a Eurodollar Rate Advance, a rate per annum equal at all times during the Interest Period for such Advance to the sum of (i) the Adjusted Eurodollar Rate for such Interest Period plus (ii) the Applicable Margin, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on the day which occurs during such Interest Period three months from the first day of such Interest Period; provided that any principal amount of any Eurodollar Rate Advance which is not paid when due (whether at stated maturity, by acceleration or otherwise) shall bear interest from the date on which such amount is due until such amount is paid in full, payable on demand, at a rate per annum equal at all times to (A) during the Interest Period applicable to such Eurodollar Rate Advance, the greater of (x) 2% per annum above the Base Rate in effect from time to time and (y) 2% per annum above the rate per annum required to be paid on such amount immediately prior to the date on which such amount became due and (B) after the expiration of such Interest Period, 2% per annum above the Base Rate in effect from time to time.

SECTION 2.08. INTEREST RATE DETERMINATION.

(a) Each Reference Bank agrees to furnish to the Administrative Agent timely information for the purpose of determining each Adjusted Eurodollar Rate. If any one or more of the Reference Banks shall not furnish such timely information to the Administrative Agent for the purpose of determining any such interest rate, the Administrative Agent shall determine such interest rate on the basis of timely information furnished by the remaining Reference Banks, subject to Section 2.02(b)(iv).

(b) The Administrative Agent shall give prompt notice to the Borrower and the Lenders of the applicable interest rate determined by the Administrative Agent for purposes of Section 2.07(a) or 2.07(b), and the applicable rate, if any, furnished by each Reference Bank for the purpose of determining the applicable interest rate under Section 2.07(b).

SECTION 2.09. VOLUNTARY CONVERSION OR CONTINUATION OF COMMITTED ADVANCES.

(a) The Borrower may on any Business Day, upon notice given to the Administrative Agent not later than 12:00 noon (New York City time) on the third Business Day prior to the date of the proposed Conversion or continuance (a "Notice of Conversion/Continuation") and subject to the provisions of Section 2.02(b), (1) Convert all Committed Advances of one Type comprising the same Committed Borrowing into Advances of another Type and (2) upon the expiration of any Interest Period applicable to Committed Advances which are Eurodollar Rate Advances, continue all (or, subject to Section 2.02(b), any portion of) such Advances as Eurodollar Rate Advances and the succeeding Interest Period(s) of such continued Advances shall commence on the last day of the Interest Period of the Advances to be continued; provided, however, that any Conversion of any Eurodollar Rate Advances into Base Rate Advances shall be made on, and only on, the last day of an Interest Period for such Eurodollar Rate Advances. Each such Notice of Conversion/Continuation shall, within the restrictions specified above, specify (i) the date of such continuation or Conversion, (ii) the Committed Advances (or, subject to Section 2.02(b), any portion thereof) to be continued or Converted, (iii) if such continuation is of, or such Conversion is into, Eurodollar Rate Advances, the duration of the Interest Period for each such Committed Advance, and (iv) in the case of a continuation of or a Conversion into a Eurodollar Rate Advance, that no Potential Event of Default or Event of Default has occurred and is continuing.

(b) If upon the expiration of the then existing Interest Period applicable to any Committed Advance which is a Eurodollar Rate Advance, the Borrower shall not have delivered a Notice of Conversion/Continuation in accordance with this Section 2.09, then such Advance shall upon such expiration automatically be Converted to a Base Rate Advance.

(c) After the occurrence of and during the continuance of a Potential Event of Default or an Event of Default, the Borrower may not elect to have an Advance be made or continued as, or Converted into, a Eurodollar Rate Advance after the expiration of any Interest Period then in effect for that Advance.

SECTION 2.10. INCREASED COSTS.

(a) If, due to either (i) the introduction of or any change (other than any change by way of imposition or increase of reserve requirements in the case of Eurodollar Rate Advances included in the Eurodollar Rate Reserve Percentage) in or in the interpretation of any law or regulation or (ii) the compliance with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), there shall be any increase in the cost to any Lender of agreeing to make or making, funding or maintaining Eurodollar Rate Advances, then the Borrower shall from time to time, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost. A reasonably detailed certificate as to the amount and manner of calculation of such increased cost, submitted to the Borrower and the Administrative Agent by such Lender, shall be conclusive and binding for all purposes, absent manifest error.

(b) If any Lender (other than Designated Bidders) determines that compliance with any law or regulation or any guideline or request from any central bank or other governmental authority (whether or not having the force of law) affects or would affect the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender and that the amount of such capital is increased by or based upon the existence of such Lender's commitment to lend hereunder and other commitments of this type, then, upon demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation in the light of such circumstances, to the extent that such Lender reasonably determines such increase in capital to be allocable to the existence of such Lender's commitment to

lend hereunder. A reasonably detailed certificate as to such amounts and the manner of calculation thereof submitted to the Borrower and the Administrative Agent by such Lender shall be conclusive and binding for all purposes, absent manifest error.

(c) If a Lender shall change its Applicable Lending Office, such Lender shall not be entitled to receive any greater payment under Sections 2.10 and 2.12 than the amount such Lender would have been entitled to receive if it had not changed its Applicable Lending Office, unless such change was made at the request of the Borrower or at a time when the circumstances giving rise to such greater payment did not exist.

SECTION 2.11. PAYMENTS AND COMPUTATIONS.

(a) The Borrower shall make each payment hereunder not later than 1:00 P.M. (New York City time) on the day when due in Dollars to the Administrative Agent at its address referred to in Section 8.02 in same day funds. Subject to the immediately succeeding sentence, the Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or commitment fees ratably (other than amounts payable pursuant to Section 2.10 or 2.12 or, to the extent the Termination Date is not the same for all Lenders, pursuant to Section 2.06(a)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon receipt of principal or interest paid after an Event of Default and an acceleration or a deemed acceleration of amounts due hereunder, the Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest ratably in accordance with each Lender's outstanding Advances (other than amounts payable pursuant to Section 2.10 or 2.12) to the Lenders for the account of their respective Applicable Lending Offices. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 8.07(c), from and after the effective date specified in such Assignment and Acceptance, the Administrative Agent shall make all payments hereunder in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) All computations of interest based on the Base Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Adjusted Eurodollar Rate, the Federal Funds Rate or the Fixed Rate and of commitment fees shall be made by the Administrative Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or such fees are payable. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes. absent manifest error.

(c) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commitment fee, as the case may be; provided, however, if such extension would cause payment of interest on or principal of Eurodollar Rate Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Lenders hereunder that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent that the Borrower shall not have so made such payment in full to the Administrative Agent, each

Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent, at the Federal Funds Rate.

SECTION 2.12. TAXES.

(a) Any and all payments by the Borrower hereunder shall be made, in accordance with Section 2.11, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding (i) in the case of each Lender and each Agent, taxes imposed on its income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Lender or such Agent (as the case may be) is organized or any political subdivision thereof or in which its principal office is located, (ii) in the case of each Lender taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof and (iii) in the case of each Lender and each Agent, taxes imposed by the United States by means of withholding at the source if and to the extent that such taxes shall be in effect and shall be applicable on the date hereof in the case of each Bank and on the effective date of the Assignment and Acceptance pursuant to which it became a Lender in the case of each other Lender, on payments to be made to the Agents or such Lender's Applicable Lending Office (all such nonexcluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Lender or either Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.12) such Lender or such Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies which arise from the execution, delivery or registration of, or otherwise with respect to, this Agreement (hereinafter referred to as "Other Taxes").

(c) The Borrower will indemnify each Lender and each Agent for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.12) paid by such Lender or such Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within 30 days from the date such Lender or such Agent (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Taxes, the Borrower will furnish to the Administrative Agent, at its address referred to in Section 8.02, the original or a certified copy of a receipt evidencing payment thereof.

(e) Each Lender organized under the laws of a jurisdiction outside the United States, on or prior to the date of its execution and delivery of this Agreement in the case of each Bank and on the date of the Assignment and Acceptance pursuant to which it becomes a Lender in the case of each other Lender, and from time to time thereafter if requested in writing by the Borrower (but only so long as such Lender remains lawfully able to do so), shall provide the Borrower with Internal Revenue Service form 1001 or 4224, as appropriate, or any successor form prescribed by the Internal Revenue Service, certifying that such Lender is entitled to benefits under an income tax treaty to which the United States is a party which reduces the rate of withholding tax on payments of interest or certifying that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or

business in the United States. If the form provided by a Lender at the time such Lender first becomes a party to this Agreement indicates a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be considered excluded from "Taxes" as defined in Section 2.12(a).

(f) For any period with respect to which a Lender has failed to provide the Borrower with the appropriate form described in Section 2.12(e) (other than if such failure is due to a change in law occurring subsequent to the date on which a form originally was required to be provided, or if such form otherwise is not required under the first sentence of subsection (e) above), such Lender shall not be entitled to indemnification under Section 2.12(a) with respect to Taxes imposed by the United States; provided, however, that should a Lender become subject to Taxes because of its failure to deliver a form required hereunder, the Borrower shall, at the expense of such Lender, take such steps as the Lender shall reasonably request to assist the Lender to recover such Taxes.

(g) Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in this Section 2.12 shall survive the payment in full of principal and interest hereunder.

SECTION 2.13. SHARING OF PAYMENTS, ETC. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of the Advances made by it (other than pursuant to Section 2.10 or 2.12 or, to the extent the Termination Date is not the same for all Lenders, pursuant to Section 2.06(a)) in excess of its ratable share of payments on account of the Committed Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Committed Advances made by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.13 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

SECTION 2.14. EVIDENCE OF DEBT.

(a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Advance owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Register maintained by the Administrative Agent pursuant to Section 8.07(c) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date, amount and tenor, as applicable, of each Borrowing, the Type of Advances comprising such Borrowing and the Interest Period applicable thereto, (ii) the terms of each Assignment and Acceptance delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iv) the amount of any sum received by the Administrative Agent from the Borrower hereunder and each Lender's share thereof.

(c) The entries made in the Register shall be conclusive and binding for all purposes, absent manifest error.

(d) If, in the opinion of any Lender, a promissory note or other evidence of debt is required, appropriate or desirable to reflect or enforce the indebtedness of the Borrower resulting from the Committed Advances or Bid

Advances made, or to be made, by such Lender to the Borrower, then, upon request of such Lender, the Borrower shall promptly execute and deliver to such Lender a promissory note substantially in the form of EXHIBIT G-1 in the case of Committed Advances and EXHIBIT G-2 in the case of Bid Advances, payable to the order of such Lender in an amount up to the maximum amount of Committed Advances or Bid Advances, as the case may be, payable or to be payable by such Borrower to the Lender from time to time hereunder.

SECTION 2.15. USE OF PROCEEDS.

(a) Advances shall be used by the Borrower for commercial paper backup and for general corporate purposes; provided that proceeds of Advances and proceeds of commercial paper as to which this Agreement provides backup shall not be used for any Hostile Acquisition.

(b) No portion of the proceeds of any Advances under this Agreement shall be used by the Borrower or any of its Subsidiaries in any manner which might cause the Advances or the application of such proceeds to violate, or require any Lender to make any filing or take any other action under, Regulation G, Regulation U, Regulation T, or Regulation X of the Board of Governors of the Federal Reserve System or any other regulation of such Board or to violate the Securities Exchange Act of 1934, in each case as in effect on the date or dates of such Advances and such use of proceeds.

SECTION 2.16. EXTENSION OF THE COMMITMENT TERMINATION DATE. The Borrower may not more than once in any calendar year and not later than 45 days prior to an anniversary of the Effective Date, request that the Commitment Termination Date of all Eligible Lenders (as defined below) be extended for a period of one year by delivering to the Administrative Agent a signed copy of an extension request (an "Extension Request") in substantially the form of EXHIBIT E hereto. The Administrative Agent shall promptly notify each Eligible Lender of its receipt of such Extension Request. On or prior to ten days prior to the applicable anniversary of the Effective Date in each calendar year in which there has been an Extension Request (the "Determination Date"), each Eligible Lender shall notify the Administrative Agent and the Borrower of its willingness or unwillingness to extend its Commitment Termination Date hereunder. Any Eligible Lender that shall fail to so notify the Administrative Agent and the Borrower on or prior to the Determination Date shall be deemed to have declined to so extend. In the event that, on or prior to the Determination Date, Eligible Lenders representing 66-2/3% or more of the aggregate amount of the Commitments of all Eligible Lenders then in effect shall consent to such extension, upon confirmation by the Administrative Agent of such consent, the Administrative Agent shall so advise the Lenders and the Borrower, and, subject to execution of documentation evidencing such extension and consents, the Commitment Termination Date of each Eligible Lender (each a "Consenting Lender") that has consented on or prior to the Determination Date to so extend shall be extended to the date one year after the Commitment Termination Date of such Eligible Lender in existence on the date of the related Extension Request. Thereafter, (i) for each Consenting Lender, the term "Commitment Termination Date" shall at all times refer to such date, unless it is later extended pursuant to this Section 2.16, and (ii) for each Lender that is not an Eligible Lender and for each Eligible Lender that either has declined on or prior to the Determination Date to so extend or is deemed to have so declined, the term "Commitment Termination Date" shall at all times refer to the date which was the Commitment Termination Date of such Lender immediately prior to the delivery to the Administrative Agent of such Extension Request. In the event that, as of the Determination Date, the Consenting Lenders represent less than 66-2/3% of the aggregate amount of the Commitments of all Eligible Lenders then in effect, and the Agents confirm the same, the Administrative Agent shall so advise the Lenders and the Borrower, and none of the Lenders' Commitment Termination Dates shall be extended to the date indicated in the Extension Request and each Lender's Commitment Termination Date shall continue to be the date which was the Commitment Termination Date of such Lender immediately prior to the delivery to the Agents of such Extension Request. For purposes of this Section 2.16, the term "Eligible Lenders" means, with respect to any Extension Request, (i) all Lenders if no Lender's Commitment Termination Date had been extended pursuant to this Section 2.16 prior to the delivery to the Agents of such Extension Request, and (ii) in all other cases, those Lenders which had extended their Commitment Termination Date in the most recent extension of any Commitment Termination Date effected pursuant to this Section 2.16.

SECTION 2.17. SUBSTITUTION OF LENDERS. If any Lender requests compensation from the Borrower under Section 2.10(a) or (b) or Section 2.12 or if any Lender declines to extend its Commitment Termination Date pursuant to Section 2.16, the Borrower shall have the right, with the assistance of the Agents, to seek one or more Eligible Assignees (which may be one or more of the Lenders) reasonably satisfactory to the Agents and the Borrower to purchase the Advances and assume the Commitments of such Lender, and the Borrower the Agents, such Lender, and such Eligible Assignees shall execute and deliver an appropriately completed Assignment and Acceptance pursuant to Section 8.07(a) hereof to effect the assignment of rights to and the assumption of obligations by such Eligible Assignees; provided that (i) such requesting Lender shall be entitled to compensation under Section 2.10 and 2.12 for any costs incurred by it prior to its replacement, (ii) no Event of Default, or event which with the giving of notice or lapse of time or both would be an Event of Default, has occurred and is continuing, (iii) the Borrower has satisfied all of its obligations under the Loan Documents relating to such Lender, including without limitation obligations, if any, under Section 8.04(b), and (iv) the Borrower shall have paid the Administrative Agent a $3,000 administrative fee if such replacement Lender is not an existing Lender.

ARTICLE III
CONDITIONS OF EFFECTIVENESS AND LENDING

SECTION 3.01. DOCUMENTS TO BE DELIVERED ON THE CLOSING DATE. The Closing Date shall be deemed to have occurred when this Agreement shall have been executed and delivered by the parties hereto and (a) the Agents shall have received the following, each dated the Closing Date or within two days prior to the Closing Date unless otherwise indicated, and each in form and substance satisfactory to the Agents unless otherwise indicated and in sufficient copies for each Lender:

(i) Copies of resolutions of the Board of Directors of the Borrower (or its Executive Committee, together with evidence of the authority of the Executive Committee) approving this Agreement, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement, certified as of a recent date prior to the Closing Date.

(ii) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the other documents to be delivered by the Borrower hereunder.

(iii) Certified copies of the Borrower's Certificate of Incorporation, together with good standing certificates from the state of Delaware and the jurisdiction of the Borrower's principal place of business, each to be dated a recent date prior to the Closing Date;

(iv) Copies of the Borrower's Bylaws, certified as of the Closing Date by their respective Secretary or an Assistant Secretary;

(v) Executed originals of this Agreement and the other documents to be delivered by the Borrower hereunder;

(vi) A favorable opinion of the General Counsel of the Borrower, substantially in the form of EXHIBIT C-1 hereto;

(vii) A favorable opinion of O'Melveny & Myers LLP, counsel for the Agents, substantially in the form of EXHIBIT D-1 hereto;

(viii) The Form 10, in the form filed with the SEC;

(ix) The Form 8-K, in the form filed with the SEC;

(x) A certificate of an authorized officer of the Borrower to the effect that since December 31, 1995, there has been no material adverse change in the operations, business or financial or other condition or properties of the Borrower and its Subsidiaries, taken as a whole and since March 31, 1996 there has been no material adverse change in the operations, business or financial or other condition or properties of the Borrower and its Subsidiaries, taken as a whole, in each case on a pro forma basis after giving effect to the Distribution; and

(xi) Evidence that the Newco Credit Agreement has been duly executed and delivered and the Closing Date thereunder has occurred; and

(b) the Agents shall have received such other approvals, opinions or documents as the Requisite Lenders through the Agents may reasonably request.

SECTION 3.02. CONDITIONS PRECEDENT TO EFFECTIVE TIME. This Agreement shall become fully effective pursuant to Section 8.06(b) at the Effective Time on the Effective Date upon the satisfaction of, and the obligation of each Lender to make its initial Advance is subject to, the conditions precedent that:

(a) the Agents shall have received on or before the Effective Date the following, each dated the Effective Date unless otherwise indicated, and each in form and substance satisfactory to the Requisite Lenders and in sufficient copies for each Lender:

(i) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying that the documents, certificates and statements referred to in Section 3.01(a)(i) through (iv) remain in full force and effect and are true and correct as of the Effective Date as if executed and made on the Effective Date;

(ii) A favorable opinion of the General Counsel of the Borrower, substantially in the form of EXHIBIT C-2 hereto;

(iii) A favorable opinion of O'Melveny & Myers LLP, counsel for the Agents, substantially in the form of EXHIBIT D-2 hereto;

(iv) A certificate of an authorized officer of the Borrower certifying that the statements made in the certificate referred to in Section 3.01(a)(x) remain true and correct as of the Effective Date;

(v) Evidence reasonably satisfactory to the Requisite Lenders that the Distribution Agreement is in full force and effect and has not been amended, supplemented, waived or otherwise modified without the consent of Requisite Lenders, and executed and conformed copies thereof (including all exhibits and schedules thereto) and any amendments thereto and all documents executed in connection therewith shall have been delivered to Agents;

(vi) Evidence reasonably satisfactory to the Requisite Lenders that the Merger has become effective and that the Distribution will become effective immediately after the Effective Time at the Distribution Time in accordance with the terms and conditions of the Distribution Agreement;

(vii) Evidence that the SEC has declared the Form 10 effective;

(viii) Evidence reasonably satisfactory to the Requisite Lenders that all approvals, permits, licenses, authorizations and consents, if any, from any governmental or regulatory authority necessary to effectuate the Distribution have been duly obtained and are in full force and effect as of the Effective Date;

(ix) Evidence that the Newco Credit Agreement has become effective in accordance with the terms and conditions set forth therein; and

(x) Letter agreements between the Borrower and the Exiting Banks, reasonably satisfactory to the Requisite Lenders terminating (1) all funding obligations and other obligations of the Exiting Banks under the Existing Credit Agreement upon the effectiveness of this Agreement, and (2) all payment obligations and other obligations of the Borrower under the Existing Credit Agreement to the Exiting Banks upon the terms and conditions set forth in such letter agreements; and

(b) the Agents shall have received the fees set forth in Section 2.04(c) if such fees are payable to the Agents and the Banks on or prior to the Effective Date; and

(c) the Agents shall have received such other approvals, opinions or documents as the Requisite Lenders through the Agents may reasonably request.

SECTION 3.03. CONDITIONS PRECEDENT TO EACH COMMITTED BORROWING. The obligation of each Lender to make a Committed Advance on the occasion of a Committed Borrowing (including the initial Committed Borrowing) shall be subject to the further conditions precedent that (x) the Administrative Agent shall have received a Notice of Committed Borrowing with respect thereto in accordance with Section 2.02 and (y) on the date of such Borrowing (a) the following statements shall be true (and each of the giving of the applicable Notice of Borrowing and the acceptance by the Borrower of the proceeds of such Borrowing shall constitute a representation and warranty by the Borrower that on the date of such Borrowing such statements are true):

(i) The representations and warranties of the Borrower contained in Section 4.01 are correct on and as of the date of such Borrowing, before and after giving effect to such Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, except to the extent that any such representation or warranty expressly relates only to an earlier date, in which case they were correct as of such earlier date; and

(ii) No event has occurred and is continuing, or would result from such Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default, or a Potential Event of Default; and

(b) the Agents shall have received such other approvals, opinions or documents as the Requisite Lenders through the Agents may reasonably request.

SECTION 3.04. CONDITIONS PRECEDENT TO EACH BID BORROWING. The obligation of each Lender to make a Bid Advance on the occasion of a Bid Borrowing (including the initial Bid Borrowing) shall be subject to the further conditions precedent that (x) the Administrative Agent shall have received a Notice of Bid Borrowing with respect thereto in accordance with Section 2.03 and (y) on the date of such Borrowing the following statements shall be true (and each of the giving of the applicable Notice of Bid Borrowing and the acceptance by the Borrower of the proceeds of such Borrowing shall constitute a representation and warranty by the Borrower that on the date of such Borrowing such statements are true):

(i) The representations and warranties of the Borrower contained in Section 4.01 are correct on and as of the date of such Borrowing, before and after giving effect to such Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, except to the extent that any such representation or warranty expressly relates only to an earlier date, in which case they were correct as of such earlier date; and

(ii) No event has occurred and is continuing, or would result from such Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default, or a Potential Event of Default.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

SECTION 4.01. REPRESENTATIONS AND WARRANTIES OF THE BORROWER. The Borrower represents and warrants as follows:

(a) DUE ORGANIZATION, ETC. The Borrower and each Material Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation. The Borrower and each of its Material Subsidiaries are qualified to do business in and are in good standing under the laws of each jurisdiction in which failure to be so qualified would have a material adverse effect on the Borrower and its Subsidiaries, taken as a whole.

(b) DUE AUTHORIZATION, ETC. The execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Borrower's Certificate

of Incorporation or (ii) applicable law or any material contractual restriction binding on or affecting the Borrower.

(c) GOVERNMENTAL CONSENT. No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents.

(d) VALIDITY. This Agreement is the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms subject to the effect of applicable bankruptcy, insolvency, arrangement, moratorium and other similar laws affecting creditors' rights generally and to the application of general principles of equity.

(e) CONDITION OF THE BORROWER. The consolidated balance sheet of the Borrower and its Subsidiaries as at December 31, 1995, and the related consolidated statements of income and retained earnings of the Borrower and its Subsidiaries for the fiscal year then ended, copies of which have been previously furnished to each Bank, and the pro forma consolidated balance sheet of the Borrower and its Subsidiaries as at March 31, 1996 and the pro forma statements of consolidated income of the Borrower and its Subsidiaries for the three months ended March 31, 1996 and 1995 and for the year ended December 31, 1995, in each case after giving effect to the Distribution, copies of which are contained in the Form 8-K furnished to each Bank pursuant to Section 3.01(a)(ix), fairly present the consolidated financial condition of the Borrower and its Subsidiaries (on a pro forma basis after giving effect to the Distribution with respect to such pro forma financial statements) as at such date and the results of the operations of the Borrower and its Subsidiaries for the periods ended on such dates, all in accordance with GAAP consistently applied, and as of the Effective Date, there has been no material adverse change in the business, condition (financial or otherwise), operations or properties of the Borrower and its Subsidiaries, taken as a whole, since March 31, 1996, after giving effect to the Distribution.

(f) LITIGATION. (i) There is no pending action or proceeding against the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator, and (ii) to the knowledge of the Borrower, there is no pending or threatened action or proceeding affecting the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator, which in either case, in the reasonable judgement of the Borrower could reasonably be expected to materially adversely affect the financial condition or operations of the Borrower and its Subsidiaries, taken as a whole, or with respect to actions of third parties which purports to affect the legality, validity or enforceability of this Agreement.

(g) MARGIN REGULATIONS. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no proceeds of any Advance 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 any manner that violates, or would cause a violation of, Regulation G, Regulation T, Regulation U or Regulation X. Less than 25 percent of the fair market value of the assets of (i) the Borrower or (ii) the Borrower and its Subsidiaries consists of Margin Stock.

(h) PAYMENT OF TAXES. The Borrower and each of its Subsidiaries have filed or caused to be filed all material tax returns (federal, state, local and foreign) required to be filed and paid all material amounts of taxes shown thereon to be due, including interest and penalties, except for such taxes as are being contested in good faith and by proper proceedings and with respect to which appropriate reserves are being maintained by the Borrower or any such Subsidiary, as the case may be.

(i) GOVERNMENTAL REGULATION. The Borrower is not subject to regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act, the Interstate Commerce Act or the Investment Company Act of 1940, each as amended, or to any Federal or state statute or regulation

limiting its ability to incur indebtedness for money borrowed. No Subsidiary of the Borrower is subject to any regulation that would limit the ability of the Borrower to enter into or perform its obligations under this Agreement.

(j) ERISA.

(i) No ERISA Event which might result in liability of the Borrower or any of its ERISA Affiliates in excess of $10,000,000 (or, in the case of an event described in clause (v) of the definition of ERISA Event, $750,000) (other than for premiums payable under Title IV of ERISA) has occurred or is reasonably expected to occur with respect to any Pension Plan.

(ii) Schedule B (Actuarial Information) to the most recently completed annual report prior to the Effective Date (Form 5500 Series) for each Pension Plan, copies of which have been filed with the Internal Revenue Service and furnished to the Agents, is complete and, to the best knowledge of the Borrower, accurate, and since the date of such Schedule B there has been no material adverse change in the funding status of any such Pension Plan.

(iii) Neither the Borrower nor any ERISA Affiliate has incurred, or, to the best knowledge of the Borrower, is reasonably expected to incur, any Withdrawal Liability to any Multiemployer Plan which has not been satisfied or which is or might be in excess of $10,000,000.

(iv) Neither the Borrower nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization or has been terminated, within the meaning of Title IV of ERISA, and, to the best knowledge of the Borrower, no Multiemployer Plan is reasonably expected to be in reorganization or to be terminated within the meaning of Title IV of ERISA.

(k) ENVIRONMENTAL MATTERS.

(i) The Borrower and each of its Subsidiaries is in compliance in all material respects with all Environmental Laws the non-compliance with which could reasonably be expected to have a material adverse effect on the financial condition or operations of the Borrower and its Subsidiaries, taken as a whole, and (ii) there has been no "release or threatened release of a hazardous substance" (as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq.) or any other release, emission or discharge into the environment of any hazardous or toxic substance, pollutant or other materials from the Borrower's or its Subsidiaries' property other than as permitted under applicable Environmental Law and other than those which would not have a material adverse effect on the financial condition or operations of the Borrower and its Subsidiaries, taken as a whole. Other than disposals (A) for which the Borrower has been indemnified in full or (B) which would not have a material adverse effect on the financial condition or operations of the Borrower and its Subsidiaries, taken as a whole, all "hazardous waste" (as defined by the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq. (1976) and the regulations thereunder, 40 CFR Part 261 ("RCRA")) generated at the Borrower's or any Subsidiaries' properties have in the past been and shall continue to be disposed of at sites which maintain valid permits under RCRA and any applicable state or local Environmental Law.

(l) DISCLOSURE. As of the Closing Date and as of the Effective Date, to the best of the Borrower's knowledge, no representation or warranty of the Borrower or any of its Subsidiaries contained in this Agreement or any other Loan Document or statement made in the Form 10 (including all Exhibits thereto filed with the Securities and Exchange Commission) or the Form 8-K or in any other document, certificate or written statement furnished to the Banks by or on behalf of the Borrower or any of its Subsidiaries contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained in such agreements, documents, certificates and statements not misleading in light of the circumstances in which the same were made.

ARTICLE V
COVENANTS OF THE BORROWER

SECTION 5.01. AFFIRMATIVE COVENANTS. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will unless the Requisite Lenders shall otherwise consent in writing:

(a) COMPLIANCE WITH LAWS ETC. Comply, and cause each of its Subsidiaries to comply, with all applicable laws, rules, regulations and orders, such compliance to include, without limitation, (i) complying with all Environmental Laws and (ii) paying before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property except to the extent contested in good faith, except where failure to so comply would not have a material adverse effect on the business, condition (financial or otherwise), operations or properties of the Borrower and its Subsidiaries, taken as a whole.

(b) REPORTING REQUIREMENTS. Furnish to the Administrative Agent (in sufficient quantity for delivery to each Lender) for prompt distribution by the Administrative Agent to the Lenders and furnish to the Documentation Agent:

(i) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Borrower, consolidated balance sheets as of the end of such quarter and consolidated statements of source and application of funds of the Borrower and its Subsidiaries and consolidated statements of income and retained earnings of the Borrower and its Subsidiaries for such quarter and the period commencing at the end of the previous fiscal year and ending with the end of such quarter and certified by the chief financial officer or chief accounting officer of the Borrower;

(ii) as soon as available and in any event within 120 days after the end of each fiscal year of the Borrower, a copy of the annual audit report for such year for the Borrower and its Subsidiaries, containing financial statements (including a consolidated balance sheet and consolidated statement of income and cash flows of the Borrower and its Subsidiaries) for such year, certified by and accompanied by an opinion of Deloitte & Touche or other nationally recognized independent public accountants. The opinion shall be unqualified (as to going concern, scope of audit and disagreements over the accounting or other treatment of offsets) and shall state that such consolidated financial statements present fairly in all material respects the financial position of the Borrower and its Subsidiaries as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards;

(iii) together with each delivery of the report of the Borrower and its Subsidiaries pursuant to subsections (i) and (ii) above, a Compliance Certificate for the year executed by the chief financial officer or treasurer of the Borrower demonstrating in reasonable detail compliance during and at the end of such accounting periods with the restrictions contained in Section 5.02(e) and (f) (and setting forth the arithmetical computation required to show such compliance) and stating that the signer has reviewed the terms of this Agreement and has made, or caused to be made under his or her supervision, a review in reasonable detail of the transactions and condition of the Borrower and its Subsidiaries during the accounting period covered by such financial statements and that such review has not disclosed the existence during or at the end of such accounting period, and that the signer does not have knowledge of the existence as at the date of the compliance certificate, of any condition or event that constitutes an Event of Default or Potential Event of Default or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Borrower has taken, is taking and

proposes to take with respect thereto;

(iv) as soon as possible and in any event within five days after the occurrence of each Event of Default and each Potential Event of Default, continuing on the date of such statement, a statement of an authorized financial officer of the Borrower setting forth details of such Event of Default or event and the action which the Borrower has taken and proposes to take with respect thereto;

(v) promptly after any material change in accounting policies or reporting practices, notice and a description in reasonable detail of such change;

(vi) promptly and in any event within 30 days after the Borrower or any ERISA Affiliate knows or has reason to know that any ERISA Event referred to in clause (i) of the definition of ERISA Event with respect to any Pension Plan has occurred which might result in liability to the PBGC a statement of the chief accounting officer of the Borrower describing such ERISA Event and the action, if any, that the Borrower or such ERISA Affiliate has taken or proposes to take with respect thereto;

(vii) promptly and in any event within 15 days after the Borrower or any ERISA Affiliate knows or has reason to know that any ERISA Event (other than an ERISA Event referred to in (vi) above) with respect to any Pension Plan has occurred which might result in liability to the PBGC in excess of $100,000, a statement of the chief accounting officer of the Borrower describing such ERISA Event and the action, if any, that the Borrower or such ERISA Affiliate has taken or proposes to take with respect thereto;

(viii) promptly and in any event within five Business Days after receipt thereof by the Borrower or any ERISA Affiliate from the PBGC, copies of each notice from the PBGC of its intention to terminate any Pension Plan or to have a trustee appointed to administer any Pension Plan;

(ix) promptly and in any event within 15 days after receipt thereof by the Borrower or any ERISA Affiliate from the sponsor of a Multiemployer Plan, a copy of each notice received by the Borrower or any ERISA Affiliate concerning (w) the imposition of Withdrawal Liability by a Multiemployer Plan in excess of $100,000, (x) the determination that a Multiemployer Plan is, or is expected to be, in reorganization within the meaning of Title IV of ERISA, (y) the termination of a Multiemployer Plan within the meaning of Title IV of ERISA or (z) the amount of liability incurred, or expected to be incurred, by the Borrower or any ERISA Affiliate in connection with any event described in clause (w), (x) or (y) above;

(x) promptly after the commencement thereof, notice of all material actions, suits and proceedings before any court or government department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting the Borrower or any of its Subsidiaries, of the type described in Section 4.01(f);

(xi) promptly after the occurrence thereof, notice of (A) any event which makes any of the representations contained in Section 4.01(k) inaccurate in any material respect or (B) the receipt by the Borrower of any notice, order, directive or other communication from a governmental authority alleging violations of or noncompliance with any Environmental Law which could reasonably be expected to have a material adverse effect on the financial condition of the Borrowers and its Subsidiaries, taken as a whole;

(xii) promptly after any change in the rating established by S&P, Moody's or Duff & Phelps, as applicable, with respect to Long-Term Debt, a notice of such change, which notice shall specify the new rating, the date on which such change was publicly announced, and such other information with respect to such change as any Lender through either Agent may reasonably request;

(xiii) promptly after the sending or filing thereof, copies of all reports which the Borrower sends to any of its public security holders, and copies of all reports and registration statements which the Borrower files with the SEC or any national security exchange;

(xiv) promptly after the Borrower or any ERISA Affiliate creates any employee benefit plan to provide health or welfare benefits (through the purchase of insurance or otherwise) for any retired or former employee of the Borrower or any of its ERISA Affiliates (except as provided in Section 4980B of the Code and except as provided under the terms of any employee welfare benefit plans provided pursuant to the terms of collective bargaining agreements) under the terms of which the Borrower and/or any of its ERISA Affiliates are not permitted to terminate such benefits, a notice detailing such plan; and

(xv) such other information respecting the condition or operations, financial or otherwise, of the Borrower or any of its Subsidiaries as any Lender through either Agent may from time to time reasonably request.

(c) CORPORATE EXISTENCE, ETC. The Borrower will, and will cause each of its Subsidiaries to, at all times preserve and maintain its fundamental business and preserve and keep in full force and effect its corporate existence (except as permitted under Section 5.02(b) hereof) and all rights, franchises and licenses necessary or desirable in the normal conduct of its business; provided, however, that this paragraph (c) shall not apply in any case when, in the good faith business judgment of the Borrower, such preservation or maintenance is neither necessary nor appropriate for the prudent management of the business of the Borrower.

(d) INSPECTION. The Borrower will permit and will cause each of its Subsidiaries to permit any authorized representative designated by either Agent or any Lender at the expense of such Agent or such Lender, to visit and inspect any of the properties of the Borrower or any of its Subsidiaries, including its and their financial and accounting records, and to take copies and to take extracts therefrom, and discuss its and their affairs, finances and accounts with its and their officers and independent public accountants, all during normal hours, upon reasonable notice and as often as may be reasonably requested.

(e) INSURANCE. The Borrower will maintain and will cause each of its Subsidiaries to maintain insurance to such extent and covering such risks as is usual for companies engaged in the same or similar business and on request will advise the Lenders of all insurance so carried.

(f) TAXES. The Borrower will and will cause each of its Subsidiaries to pay and discharge, before the same shall become delinquent, (x) all taxes, assessments and governmental charges or levies imposed upon it or upon its property and (y) all lawful claims that, if unpaid, might by law become a lien upon their property; provided, however, that neither the Borrower nor any such Subsidiary shall be required to pay or discharge any such tax, assessment, charge or levy (A) that is being contested in good faith and by proper proceedings and for which appropriate reserves are being maintained, or (B) the failure to pay or discharge which would not have a material adverse effect on the financial condition or operations of the Borrower and its Subsidiaries taken as a whole.

(g) MAINTENANCE OF BOOKS, ETC. The Borrower will, and will cause each of its Subsidiaries to, keep proper books of records and accounts, in which full and correct entries shall be made of all financial transactions and the assets and business of the Borrower and each of its domestic Subsidiaries in accordance with GAAP and with respect to foreign Subsidiaries in accordance with customary accounting standards in the applicable jurisdiction, in each case consistently applied and consistent with prudent business practices.

SECTION 5.02. NEGATIVE COVENANTS. So long as any Advance shall remain unpaid or any Lender shall have any Commitment

hereunder, without the written consent of the Requisite Lenders:

(a) LIENS, ETC. The Borrower will not create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any Lien, upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign, or permit any of its Subsidiaries to assign, any right to receive income, in each case to secure or provide for the payment of any Debt of any Person, unless the Borrower's obligations hereunder shall be secured equally and ratably with, or prior to, any such Debt; provided however that the foregoing restriction shall not apply to the following Liens which are permitted:

(i) Liens on assets of any Subsidiary of the Borrower existing at the time such Person becomes a Subsidiary (other than any such Lien created in contemplation of becoming a Subsidiary);

(ii) Liens on accounts receivable resulting from the sale of such accounts receivable by the Borrower or a Subsidiary of the Borrower, so long as, at any time, the aggregate outstanding amount of cash advanced to the Borrower or such Subsidiary, as the case may be, and attributable to the sale of such accounts receivable does not exceed $300,000,000;

(iii) purchase money Liens upon or in any property acquired or held by the Borrower or any Subsidiary in the ordinary course of business to secure the purchase price of such property or to secure Debt incurred solely for the purpose of financing the acquisition of such property (provided that the amount of Debt secured by such Lien does not exceed 100% of the purchase price of such property and transaction costs relating to such acquisition) and Liens existing on such property at the time of its acquisition (other than any such Lien created in contemplation of such acquisition); and the interest of the lessor thereof in any property that is subject to a Capital Lease;

(iv) any Lien securing Debt that was incurred prior to or during construction or improvement of property for the purpose of financing all or part of the cost of such construction or improvement, provided that the amount of Debt secured by such Lien does not exceed 100% of the fair market value of such property after giving effect to such construction or improvement;

(v) any Lien securing Debt of a Subsidiary owing to the Borrower;

(vi) Liens resulting from any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any Debt secured by any Lien referred to in clauses (i), (iii) and (iv) above so long as (x) the aggregate principal amount of such Debt shall not increase as a result of such extension, renewal or replacement and (y) Liens resulting from any such extension, renewal or replacement shall cover only such property which secured the Debt that is being extended, renewed or replaced; and

(vii) Liens other than Liens described in clauses (i) through (vi) hereof, whether now existing or hereafter arising, securing Debt in an aggregate amount not exceeding $50,000,000.

(b) RESTRICTIONS ON FUNDAMENTAL CHANGES. The Borrower will not, and will not permit any of its Material 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 a substantial portion of its assets (whether now owned or hereafter acquired) to any Person, or enter into any partnership, joint venture, syndicate, pool or other combination, unless no Event of Default or Potential Event of Default has occurred and is continuing or would result therefrom and, in the case of a merger or consolidation of the Borrower, (i) the Borrower is the surviving entity or (ii) the surviving entity assumes all of the Borrower's obligations under this Agreement in a manner satisfactory to the Requisite Lenders.

(c) PLAN TERMINATIONS. The Borrower will not, and will not permit any ERISA Affiliate to, terminate any Pension Plan so as to result in liability of the Borrower or any ERISA Affiliate to the PBGC in excess of $15,000,000, or permit to exist any occurrence of an event or condition which reasonably presents a material risk of a termination by the PBGC of any Pension Plan with respect to which the Borrower or any ERISA Affiliate would, in the event of such termination, incur liability to the PBGC in excess of $15,000,000.

(d) MARGIN STOCK. The Borrower will not permit 25% or more of the fair market value of the assets of (i) the Borrower or (ii) the Borrower and its Subsidiaries to consist of Margin Stock.

(e) MINIMUM NET WORTH. The Borrower will not permit at any time Net Worth to be less than the sum of (i) 80% of Net Worth as of the Effective Date, plus (ii) 25% of Net Income (if a positive number) from the Effective Date to the then most recent June 30 or December 31, plus (iii) all Additions to Capital from the Effective Date to the then most recent June 30 or December 31.

(f) MAXIMUM FUNDED DEBT RATIO. The Borrower will not permit at any time the ratio of (i) Funded Debt to (ii) EBITDA, for each period consisting of the most recently ended four consecutive fiscal quarters of the Borrower, to exceed 3.00 to 1.00.

(g) SWAPS. The Borrower will not and will not permit any of its Subsidiaries to create or suffer to exist any Lien, upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign any right to receive income, in each case to secure or provide for the payment of any Swaps.

ARTICLE VI
EVENTS OF DEFAULT

SECTION 6.01. EVENTS OF DEFAULT. If any of the following events ("Events of Default") shall occur and be continuing:

(a) The Borrower shall fail to pay any principal of any Advance when the same becomes due and payable or the Borrower shall fail to pay any interest on any Advance or any fees or other amounts payable hereunder within five days of the date due; or

(b) Any representation or warranty made or deemed made by the Borrower herein or by the Borrower pursuant to this Agreement (including any notice, certificate or other document delivered hereunder) shall prove to have been incorrect in any material respect when made; or

(c) The Borrower shall fail to perform or observe (i) any term, covenant or agreement contained in this Agreement (other than any term, covenant or agreement contained in Section 5.01(b)(iv), 5.01(c) or 5.02) on its part to be performed or observed and the failure to perform or observe such other term, covenant or agreement shall remain unremedied for 30 days after the Borrower obtains knowledge of such breach or (ii) any term, covenant or agreement contained in Section 5.02 and either of the Agents or the Requisite Lenders shall have notified the Borrower that an Event of Default has occurred, or (iii) any term, covenant or agreement contained in Section 5.01(b)(iv) or 5.01(c); or

(d) The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Debt which is outstanding in a principal amount of at least $15,000,000 in the aggregate (but excluding Debt arising under this Agreement) of the Borrower or such Subsidiary (as the case may be), when the same becomes due and payable (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 Debt; or the Borrower or any of its Subsidiaries shall fail to perform or observe any other agreement, term or condition contained in any agreement or instrument relating to any such Debt (or if any other event or condition of default under any such agreement or instrument shall exist) and such failure, event or condition shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure, event or

condition is to accelerate, or to permit the acceleration of, the maturity of such Debt; or any such Debt shall be declared to be due and payable as a result of such failure, event or condition; or

(e) The 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 proceeding shall be instituted by or against the 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 a 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 60 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 the Borrower or any of its Material Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Any judgment or order for the payment of money in excess of $25,000,000 shall be rendered against the Borrower or any of its Material Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon a final or nonappealable judgment or order or (ii) there shall be any period of 10 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;

(g) (i) Any ERISA Event with respect to a Pension Plan shall have occurred and, 30 days after notice thereof shall have been given to the Borrower by either of the Agents, (x) such ERISA Event shall still exist arid (y) the sum (determined as of the date of occurrence of such ERISA Event) of the Insufficiency of such Pension Plan and the Insufficiency of any and all other Pension Plans with respect to which an ERISA Event shall have occurred and then exist (or in the case of a Pension Plan with respect to which an ERISA Event described in clause (iii) through (vi) of the definition of ERISA Event shall have occurred and then exist, the liability related thereto) is equal to or greater than $25,000,000; or

(ii) The Borrower or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that it has incurred an aggregate Withdrawal Liability for all years to such Multiemployer Plan in an amount that, when aggregated with all other amounts then required to be paid to Multiemployer Plans by the Borrower and its ERISA Affiliates as Withdrawal Liability (determined as of the date of such notification), exceeds $25,000,000 and it is reasonably likely that all amounts then required to be paid to Multiemployer Plans by the Borrower and its ERISA Affiliates as Withdrawal Liability will exceed $25,000,000; or

(iii) The Borrower or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization or is being terminated, within the meaning of Title IV or ERISA, and it is reasonably likely that as a result of such reorganization or termination the aggregate annual contributions of the Borrower and its ERISA Affiliates to all Multiemployer Plans that are then in reorganization or being terminated have been or will be increased over the amounts contributed to such Multiemployer Plans for the plan year of such Multiemployer Plan immediately preceding the plan year in which the reorganization or termination occurs by an amount exceeding $25,000,000;

then, and in any such event, either of the Agents (i) shall

at the request, or may with the consent, of the Requisite Lenders, by notice to the Borrower, declare the obligation of each Lender to make Advances to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Requisite Lenders, by notice to the Borrower, declare the Advances, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that in the event of an actual or deemed entry of an order for relief with respect to the Borrower or any of its Subsidiaries under the Bankruptcy Code, (A) the obligation of each Lender to make Advances shall automatically be terminated and (B) the Advances, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VII
THE AGENTS

SECTION 7.01. AUTHORIZATION AND ACTION. Each Lender hereby appoints and authorizes CUSA to act as Administrative Agent under this Agreement and B of A to act as Documentation Agent under this Agreement and authorizes each Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to each Agent by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by the Loan Documents (including, without limitation, enforcement or collection of the Advances and other amounts owing hereunder), no Agent shall be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Requisite Lenders, and such instructions shall be binding upon all Lenders; provided, however, that no Agent shall be required to take any action which exposes such Agent to personal liability or which is contrary to any of the Loan Documents or applicable law. Each Agent agrees to give to each Lender prompt notice of each notice given to it by the Borrower pursuant to the terms of the Loan Documents.

SECTION 7.02. AGENTS' RELIANCE, ETC. Neither the Agents nor any of their respective directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with any of the Loan Documents, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Agents: (i) may treat the payee of any Advance as the holder thereof until the Administrative Agent receives and accepts an Assignment and Acceptance entered into by the Lender which is the payee of such Advance, as assignor, and an Eligible Assignee, as assignee, as provided in Section 8.07; (ii) may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (iii) make no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with any of the Loan Documents; (iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of any of the Loan Documents on the part of the Borrower or to inspect the property (including the books and records) of the Borrower; (v) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of any of the Loan Documents or any other instrument or document furnished pursuant hereto; and (vi) shall incur no liability under or in respect of any of the Loan Documents by acting upon any notice, consent, certificate or other instrument or writing (which may be by telecopier, telegram, cable or telex) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 7.03. CUSA, B OF A AND AFFILIATES. With respect to its respective Commitment and the respective Advances made by it, CUSA and B of A shall each have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not an Agent; and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated, include B of A and CUSA respectively in its individual capacity. B of A or CUSA and

their respective affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business (including without limitation the investment banking business) with, the Borrower, any of its subsidiaries and any Person who may do business with or own securities of the Borrower or any such subsidiary, all as if B of A or CUSA, as the case may be was not Agent and without any duty to account therefor to the Lenders.

SECTION 7.04. LENDER CREDIT DECISION. Each Lender acknowledges that it has, independently and without reliance upon either the Agents or any other Lender and based on the financial statements referred to in Section 4.01 and such other 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 Agents or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 7.05. INDEMNIFICATION. The Lenders (other than the Designated Bidders) agree to indemnify each Agent (to the extent not reimbursed by the Borrower), ratably according to the respective principal amounts of the Committed Advances then held by each of them (or if no such Advances are at the time outstanding or if any such Advances are held by Persons which are not Lenders, ratably according to the respective amounts of their Commitments), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against such Agent in any way relating to or arising out of any of the Loan Documents or any action taken or omitted by such Agent under any of the Loan Documents, provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from any Agent's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender (other than the Designated Bidders) agrees to reimburse each Agent promptly upon demand for its ratable share of any out-of-pocket expenses (including counsel fees) incurred by such Agent in connection with the preparation, execution, delivery, administration, syndication, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, the Loan Documents, to the extent that such Agent is not reimbursed for such expenses by the Borrower.

SECTION 7.06. SUCCESSOR AGENT. Each Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower and may be removed at any time with or without cause by the Requisite Lenders. Upon any such resignation or removal, the Requisite Lenders shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed by the Requisite Lenders, and shall have accepted such appointment, within 30 days after the retiring Agent's giving of notice of resignation or the Requisite Lenders' removal of the retiring Agent, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent which shall be a commercial bank organized under the laws of the United States of America or of any State thereof or any Bank and, in each case having a combined capital and surplus of at least $50,000,000. Upon the acceptance of any appointment as an Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under the Loan Documents. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under the Loan Documents.

ARTICLE VIII
MISCELLANEOUS

SECTION 8.01. AMENDMENTS, ETC. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Requisite Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by all the Lenders, do any of the following: (a) waive any of the conditions specified in Section

3.01, (b) increase the Commitments of the Lenders or subject the Lenders to any additional obligations, (c) reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (e) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, which shall be required for the Lenders or any of them to take any action hereunder or (f) amend Section 2.15 or this Section 8.01; and provided, further, that no amendment, waiver or consent shall, unless in writing and signed by an Agent in addition to the Lenders required above to take such action, affect the rights or duties of such Agent under this Agreement.

SECTION 8.02. NOTICES, ETC. All notices and other communications provided for hereunder shall be in writing (including telecopier, telegraphic, telex or cable communication) and mailed, telecopied, telegraphed, telexed, cabled or delivered, if to the Borrower, at its address at Dial Tower, Phoenix, Arizona 850772343, Attn: Treasurer; if to any Bank, at its Domestic Lending Office specified opposite its name on Schedule I hereto; if to any other Lender, at its Domestic Lending Office specified in the Assignment and Acceptance pursuant to which it became a Lender; if to the Administrative Agent at its address at Citicorp USA, Inc., Loan Syndications Operations, 1 Court Square, 7th Floor Zone 1, Long Island City, New York 11120 (with a copy of notices, other than those given pursuant to Sections 2.01 through 2.14 hereof, to Citicorp USA, Inc. c/o Citicorp North America, Inc., One Sansome Street, San Francisco, California 94104, Attn: Rosanna Bartolazo) and if to the Documentation Agent at its address at 1455 Market Street, San Francisco, California 94103, Agency Management Services No. 5596; or, as to the Borrower or either Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to the Borrower and the Agents. All such notices and communications shall, when personally delivered, mailed, telecopied, telegraphed, telexed or cabled, be effective when personally delivered, after five (5) days after being deposited in the mails, when confirmed by telecopy response, when delivered to the telegraph company, when confirmed by telex answerback or when delivered to the cable company, respectively, except that notices and communications to any Agent pursuant to Article II or VII shall not be effective until received by such Agent.

SECTION 8.03. NO WAIVER; REMEDIES. No failure on the part of any Lender or either Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8.04. COSTS, EXPENSES AND INDEMNIFICATION.

(a) The Borrower agrees to pay promptly on demand all reasonable costs and out-of-pocket expenses of the Agents in connection with the preparation, execution, delivery, administration, syndication, modification and amendment of this Agreement, and the other documents to be delivered hereunder or thereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Agents (including the allocated time charges of each Agent's legal departments, as their respective internal counsel) with respect thereto and with respect to advising the Agents as to their rights and responsibilities under this Agreement. The Borrower further agrees to pay promptly on demand all costs and expenses of the Agents and of each Lender, if any (including, without limitation, reasonable counsel fees and out-of-pocket expenses), in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement and the other documents to be delivered hereunder or thereunder, including, without limitation, reasonable counsel fees and out-of-pocket expenses in connection with the enforcement of rights under this Section 8.04(a). Such expenses shall be reimbursed by the Borrower upon a presentation of statement of account, regardless of whether the Closing Date, the Effective Date or the Distribution occurs.

(b) If any payment of principal of any Eurodollar Rate Advance is made other than on the last day of the interest period for such Advance, as a result of a payment pursuant to Section 2.06 or acceleration of the maturity of the Advances pursuant to Section 6.01 or for any other reason,

the Borrower shall, upon demand by any Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses which it may reasonably incur as a result of such payment, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(c) The Borrower agrees to indemnify and hold harmless each Agent, each Lender and each director, officer, employee, agent, attorney and affiliate of each Agent and each Lender (each an "indemnified person") in connection with any expenses, losses, claims, damages or liabilities to which an Agent, a Lender or such indemnified persons may become subject, insofar as such expenses, losses, claims, damages or liabilities (or actions or other proceedings commenced or threatened in respect thereof) arise out of the transactions referred to in this Agreement or arise from any use or intended use of the proceeds of the Advances, or in any way arise out of activities of the Borrower that violate Environmental Laws, and to reimburse each Agent, each Lender and each indemnified person, upon their demand, for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or participating in any such loss, claim, damage, liability, or action or other proceeding, whether commenced or threatened (whether or not such Agent, such Lender or any such person is a party to any action or proceeding out of which any such expense arises). Notwithstanding the foregoing, the Borrower shall have no obligation hereunder to an indemnified person with respect to indemnified liabilities which have resulted from the gross negligence, bad faith or willful misconduct of such indemnified person.

SECTION 8.05. RIGHT OF SET-OFF. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Agents to declare the Advances due and payable pursuant to the provisions of Section 6.01, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (time or demand, provisional or final, or general, but not special) at any time held and other indebtedness at any time owing by such Lender to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement that are then due and payable, whether or not such Lender shall have made any demand under this Agreement. Each Lender agrees promptly to notify the Borrower after any such set-off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Lender may have.

SECTION 8.06. BINDING EFFECT; EFFECTIVENESS, ENTIRE AGREEMENT.

(a) This Agreement shall be deemed to have been executed and delivered when it shall have been executed by the Borrower and the Agents and when the Agents shall have been notified by each Bank that such Bank has executed it and thereafter shall be binding upon and inure to the benefit of the Borrower, each Agent and each Lender and their respective successors and permitted assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of all Lenders.

(b) This Agreement (except for the provisions of Section 2.04(d), Articles VII and VIII hereof and related definitions) shall not become effective and the Existing Credit Agreement shall remain in place until the time at which the conditions set forth in Section 3.02 have been satisfied or otherwise waived at the Effective Time, at which time this Agreement shall become fully effective and replace the Existing Credit Agreement, which shall be deemed to be completely amended and restated hereby at such time. At such time this Agreement (including the Schedules and Exhibits attached hereto) shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede all prior agreements, understandings and negotiations, both written and oral, among the parties with respect to such subject matter, including, but not limited to, the Existing Credit

Agreement. If the Effective Date has not occurred by December 31, 1996, then this Agreement shall terminate on such date and the Existing Credit Agreement shall remain in place in accordance with its terms.

SECTION 8.07. ASSIGNMENTS AND PARTICIPATIONS.

(a) Each Lender (other than the Designated Bidders) may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and the Advances owing to it); provided, however, that (i) each such assignment shall be of a constant, and not a varying, percentage of all of the assigning Lender's rights and obligations under this Agreement (other than any right to make Bid Advances or Bid Advances held by it), (ii) after giving effect to any such assignment, (1) the assigning Lender shall no longer have any Commitment or (2) the amount of the Commitment of both the assigning Lender and the Eligible Assignee party to such assignment (in each case determined as of the date of the Assignment and Acceptance with respect to such assignment) shall not be less than $10,000,000, (iii) each such assignment shall be to an Eligible Assignee, (iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, and a processing and recordation fee of $3,000 to the Administrative Agent, and (v) the Borrower and the Agents shall have consented to such assignment, which consent shall not be unreasonably withheld. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto). Any Lender may at any time pledge or assign all or any portion of its rights hereunder to a Federal Reserve Bank; provided, that no such pledge or assignment shall release such Lender from any of its obligations hereunder.

(b) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with any of the Loan Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of any of the Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under any of the Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (iii) such assignee confirms that it has received a copy of the Loan Documents, together with copies of the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Agents, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes each Agent to take such action as agent on its behalf and to exercise such powers under the Loan Documents as are delegated to such Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a

Lender.

(c) Within five (5) days of its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that it is an Eligible Assignee (together with a processing and recordation fee of $3,000 with respect thereto) and upon evidence of consent of the Borrower and the Agents thereto, which consent shall not be unreasonably withheld, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of EXHIBIT B hereto, (1) accept such Assignment and Acceptance and (2) record the information contained therein in the Register. All communications with the Borrower with respect to such consent of the Borrower shall be sent pursuant to Section 8.02.

(d) Each Lender (other than the Designated Bidders) may designate one or more banks or other entities to have a right to make Bid Advances as a Lender pursuant to Section 2.03; provided, however, that (i) no such Lender shall be entitled to make more than two such designations, (ii) each such Lender making one or more of such designations shall retain the right to make Bid Advances as a Lender pursuant to Section 2.03, (iii) each such designation shall be to a Designated Bidder and (iv) the parties to each such designation shall execute and deliver to the Agent, for its acceptance and recording in the Register, a Designation Agreement. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Designation Agreement, the designee thereunder shall be a party hereto with a right to make Bid Advances as a Lender pursuant to Section 2.03 and the obligations related thereto.

(e) By executing and delivering a Designation Agreement, the Lender making the designation thereunder and its designee thereunder confirm and agree with each other and the other parties hereto as follows: (i) such Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such designee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into the Designation Agreement; (iv) such designee will, independently and without reliance upon the Agent, such designating Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such designee confirms that it is a Designated Bidder; (vi) such designee appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such designee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(f) Upon its receipt of a Designation Agreement executed by a designating Lender and a designee representing that it is a Designated Bidder, the Agent shall, if such Designation Agreement has been completed and is substantially in the form of EXHIBIT H hereto, (i) accept such Designation Agreement, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower.

(g) The Administrative Agent shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Acceptance and each Designation Agreement delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and, with respect to Lenders other than Designated Bidders, the Commitment of, the Commitment Termination Date of, and

principal amount of the Advances owing to, each such Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Agents and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of the Loan Documents. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(h) Each Lender may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and the Advances owing to it; provided, however, that (i) such Lender's obligations under this Agreement (including, without limitation, its Commitment to the Borrower hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Lender shall remain the holder of any such Advance for all purposes of this Agreement, (iv) the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under the Loan Documents, (v) no Lender shall grant any participation under which the participant shall have rights to require such Lender to take or omit to take any action hereunder or under the other Loan Documents or approve any amendment to or waiver of this Agreement or the other Loan Documents, except to the extent such amendment or waiver would: (A) extend the Termination Date of such Lender; or (B) reduce the interest rate or the amount of principal or fees applicable to Advances or the Commitment in which such participant is participating or change the date on which interest, principal or fees applicable to Advances or the Commitment in which such participant is participating are payable, (vi) such Lender shall notify the Borrower of the sale of the participation, and (vii) the Person purchasing such participation shall agree to customary provisions relating to the confidentiality of nonpublic information received by such Person in connection with its purchase of the participation.

(i) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 8.07, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that, prior to any such disclosure, the assignee or Participant or proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to the Borrower received by it from such Lender.

SECTION 8.08. CONFIDENTIALITY. Each Lender agrees, insofar as is legally possible, to use its best efforts to keep in confidence all financial data and other information relative to the affairs of the Borrower heretofore furnished or which may hereafter be furnished to it pursuant to the provisions of this Agreement; provided, however, that this Section 8.08 shall not be applicable to information otherwise disseminated to the public by the Borrower; and provided further that such obligation of each Bank shall be subject to each Bank's (a) obligation to disclose such information pursuant to a request or order under applicable laws and regulations or pursuant to a subpoena or other legal process, (b) right to disclose any such information to bank examiners, its affiliates (including, without limitation, in the case of B of A, BA Securities, Inc. and in the case of CUSA, Citicorp Securities, Inc.), bank, auditors, accountants and its counsel and other Banks, and (c) right to disclose any such information, (i) in connection with the transactions set forth herein including assignments and sales of participation interests pursuant to Section 8.07 hereof or (ii) in or in connection with any litigation or dispute involving the Banks and the Borrower or any transfer or other disposition by such Bank of any of its Advances or other extensions of credit by such Bank to the Borrower or any of its Subsidiaries, provided that information disclosed pursuant to this proviso shall be so disclosed subject to such procedures as are reasonably calculated to maintain the confidentiality thereof.

SECTION 8.09. GOVERNING LAW. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 8.10. EXECUTION IN COUNTERPARTS. This Agreement

may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 8.11. CONSENT TO JURISDICTION, WAIVER OF IMMUNITIES. The Borrower hereby irrevocably submits to the jurisdiction of any New York state or Federal court sitting in New York, New York in any action or proceeding arising out of or relating to this Agreement, and the Borrower hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York state or Federal court. The Borrower hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The Borrower 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. Nothing in this Section 8.11 shall affect the right of any Lender or Agent to serve legal process in any other manner permitted by law or affect the right of any Lender or Agent to bring any action or proceeding against the Borrower or its property in the courts of any other jurisdiction.

SECTION 8.12. WAIVER OF TRIAL BY JURY. THE BORROWER, THE BANKS, THE AGENTS AND, BY ITS ACCEPTANCE OF THE BENEFITS HEREOF, OTHER LENDERS EACH HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including without limitation contract claims, tort claims, breach of duty claims and all other common law and statutory claims. The Borrower, the Banks, the Agents and, by its acceptance of the benefits hereof, other Lenders each (i) acknowledges that this waiver is a material inducement for the Borrower, the Lenders and the Agents to enter into a business relationship, that the Borrower, the Lenders and the Agents have already relied on this waiver in entering into this Agreement or accepting the benefits thereof, as the case may be, and that each will continue to rely on this waiver in their related future dealings and (ii) further warrants and represents that each has reviewed this waiver with its legal counsel, and that each knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers "hereunto duly authorized, as of the date first above written.

THE DIAL CORP, a Delaware corporation (to be known as VIAD CORP upon the on and after the Effective Date)

By: /s/ Ronald G. Nelson
Vice President-Finance and Treasurer

CITICORP USA, INC., as Administrative Agent

By: /s/ Marjorie Futornick
Vice President

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, as Documentation Agent

By: /s/ Robert Troutman
Managing Director

COMMITMENT	LENDER
$42,500,000	CITICORP USA, INC. By: /s/ Marjorie Futornick Vice President
$42,500,000	BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION By: /s/ Robert Troutman Managing Director
$30,000,000	BANK OF MONTREAL By: /s/ Michael Joyce Managing Director
$30,000,000	THE CHASE MANHATTAN BANK, N.A. By: /s/ Ted Swimmer Vice President
$30,000,000	CIBC INC. By: /s/ Robert J. Wagner Managing Director
$30,000,000	NATIONSBANK OF TEXAS, N.A. By: /s/ Gloria M. Holland Vice President
$30,000,000	ROYAL BANK OF CANADA By: /s/ Tom J. Oberaigner Manager
$25,000,000	MORGAN GUARANTY TRUST COMPANY OF NEW YORK By: /s/ Diana Imhoff Vice President
$25,000,000	NBD BANK By: /s/ James B. Junker Authorized Agent
$20,000,000	THE INDUSTRIAL BANK OF JAPAN, LIMITED, LOS ANGELES AGENCY By: /s/ T. Akiyama Joint General Manager
$20,000,000	WESTDEUTSCHE LANDESBANK GIROZENTRALE, NEW YORK BRANCH By: /s/ Karen E. Hoplock Vice President By: /s/ Thomas Lee Associate
$15,000,000	THE LONG-TERM CREDIT BANK OF JAPAN, LTD., LOS ANGELES AGENCY By: /s/ T. Morgan Edwards Deputy General Manager

$15,000,000 MELLON BANK, N.A.

By: /s/ L.C. Ivey
Vice President

$15,000,000 THE NORTHERN TRUST COMPANY

By: /s/ Martin G. Alston
Vice President

$15,000,000 UNION BANK OF CALIFORNIA

By: /s/ Cary Moore
Vice President

$15,000,000 WELLS FARGO BANK OF ARIZONA,
NATIONAL ASSOCIATION

By: /s/ Kevin Halloran
Vice President

SCHEDULE I
LIST OF APPLICABLE LENDING OFFICES

NAME OF BANK	DOMESTIC LENDING OFFICE	EURODOLLAR LENDING OFFICE
CITIBANK, N. A.	Central Corporate Customer Services One Court Square 7th Floor Long Island City, NY 11120 Attn: Aureli Almonte Bank Loan Syndication	Central Corporate Customer Services One Court Square 7th Floor Long Island City, NY 11120 Attn: Aureli Almonte Bank Loan Syndication
BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION	1850 Gateway Blvd. Concord, CA 94520 Attn: Barbara Garibaldi	1850 Gateway Blvd. Concord, CA 94520 Attn: Barbara Garibaldi
BANK OF MONTREAL	115 South LaSalle 12th Floor Chicago, IL 60603 Attn: Betty Rutherford	115 South LaSalle 12th Floor Chicago, IL 60603 Attn: Betty Rutherford
CIBC, INC.	2727 Paces Ferry Road 2 Paces West Suite 1200 Atlanta, Georgia 30339 Attn: Ann Milam	2727 Paces Ferry Road 2 Paces West Suite 1200 Atlanta, Georgia 30339 Attn: Ann Milam
THE CHASE MANHATTAN BANK, N.A.	140 East 45th Street 29th Floor New York, New York 10017 Attn: Miranda Chin	140 East 45th Street 29th Floor New York, New York 10017 Attn: Miranda Chin
NATIONSBANK OF TEXAS, N.A.	c/o NationsBank 901 Main Street 14th Floor Dallas, TX 75202 Attn: Stacey Smith	c/o NationsBank 901 Main Street 14th Floor Dallas, TX 75202 Attn: Stacey Smith
ROYAL BANK OF CANADA	1 Financial Square 23rd Floor New York, NY 10005 Attn: Linda Smith	1 Financial Square 23rd Floor New York, NY 10005 Attn: Linda Smith
WELLS FARGO BANK OF ARIZONA, NATIONAL ASSOCIATION	Arizona RCBO 4101-251 P.O. Box 53456 Phoenix, AZ 85072-3456 Attn: Kevin Halloran Street Address: 100 West Washington Phoenix, AZ 85072-3456	Arizona RCBO 4101-251 P.O. Box 53456 Phoenix, AZ 85072-3456 Attn: Kevin Halloran Street Address: 100 West Washington Phoenix, AZ 85072-3456
THE INDUSTRIAL BANK OF JAPAN, LIMITED, LOS ANGELES AGENCY	350 S. Grand Ave. Suite 1500 Los Angeles, CA 90071 Attn: Lynn Santos	350 S. Grand Ave. Suite 1500 Los Angeles, CA 90071 Attn: Lynn Santos
THE LONG-TERM CREDIT BANK OF JAPAN, LTD., LOS ANGELES AGENCY	350 S. Grand Ave. Suite 3000 Los Angeles, CA 90071 Attn: Cindy Ly	350 S. Grand Ave. Suite 3000 Los Angeles, CA 90071 Attn: Cindy Ly
MELLON BANK, N.A.	Three Mellon Bank Center Room 2303 Pittsburgh, PA 15259 Attn: Damon Carr	Three Mellon Bank Center Room 2303 Pittsburgh, PA 15259 Attn: Damon Carr
NBD BANK	611 Woodward Avenue Detroit, MI 48226 Attn: Chris Dickens	611 Woodward Avenue Detroit, MI 48226 Attn: Chris Dickens
MORGAN GUARANTY TRUST COMPANY OF NEW YORK	c/o J.P. Morgan Services, Inc. 500 Stanton - Christiana Road Newark, Delaware 19713 Attn: Lisa Lynch	Nassau, Bahamas Office c/o J.P. Morgan Services, Inc. Loan Operations - 3rd Flr 500 Stanton - Christiana Road Newark, Delaware 19713 Attn: Lisa Lynch

THE NORTHERN TRUST COMPANY	50 S. La Salle B-12 Chicago, IL 60675 Attn: Linda Honda	50 S. La Salle B-12 Chicago, IL 60675 Attn: Linda Honda
UNION BANK OF CALIFORNIA	550 S. Hope Street 3rd Floor Los Angeles, CA 90071 Attn: Hisako Sakamoto	550 S. Hope Street 3rd Floor Los Angeles, CA 90071 Attn: Hisako Sakamoto
WESTDEUTSCHE LANDESBANK GIROZENTRALE, NEW YORK BRANCH	1211 Avenue of the Americas New York, NY 10036 Attn: Cheryl Wilson	1211 Avenue of the Americas New York, NY 10036 Attn: Cheryl Wilson

EXHIBIT A-1

[FORM OF NOTICE OF COMMITTED BORROWING]

NOTICE OF COMMITTED BORROWING

Citicorp USA, Inc., as Administrative
Agent for the Lenders party
to the Credit Agreement
referred to below

c/o Citicorp Bank Loan
Syndications Operations
One Court Square
Long Island City, New York 11120

[Date]

Attention: [ ]

Gentlemen:

The undersigned, [The Dial Corp][Viad Corp] (the "Borrower"), refers to that certain Amended and Restated Credit Agreement dated as of July 24, 1996 (as it may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement", the terms defined therein being used herein as therein defined), by and among the Borrower, certain Lenders party thereto, Citicorp USA, Inc., as Administrative Agent for said Lenders, and Bank of America National Trust and Savings Association, as Documentation Agent for said Lenders. The Borrower hereby gives you notice, irrevocably, pursuant to Section 2.02 of the Credit Agreement, that the Borrower hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the "Proposed Committed Borrowing") as required by Section 2.02(a) of the Credit Agreement:

(i) The Business Day of the Proposed Committed Borrowing is [ ], 19[ ].

(ii) The Type of Committed Advances comprising the Proposed Committed Borrowing is [Base Rate Advances] [Eurodollar Rate Advances].

(iii) The aggregate amount of the Proposed Committed Borrowing is $[ ].

(iv) If the Type of Advances comprising the Proposed Committed Borrowing is Eurodollar Rate Advances, the Interest Period for each Advance made as part of the Proposed Committed Borrowing is [ ] month[s].

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Committed Borrowing:

(A) the representations and warranties contained in Section 4.01 of the Credit Agreement are correct, before and after giving effect to the Proposed Committed Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, except to the extent that any such representation or warranty expressly relates only to an earlier date, in which case they were correct as of such earlier date; and

(B) no event has occurred and is continuing, or will result from such Proposed Committed Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default or a Potential Event of Default.

Very truly yours,

[THE DIAL CORP] [VIAD CORP]

By:
Title:

EXHIBIT A-2

[FORM OF NOTICE OF BID BORROWING]

NOTICE OF BID BORROWING

Citicorp USA, Inc.,
as Administrative Agent
for the Lenders party to
the Credit Agreement referred
to below

c/o Citicorp Bank Loan
Syndications Operations
One Court Square
Long Island City, New York 11120

[Date]

Attention: [ ]

Gentlemen:

The undersigned, [The Dial Corp][Viad Corp] (the "Borrower"), refers to that certain Amended and Restated Credit Agreement dated as of July 24, 1996 (as it may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement", the terms defined therein being used herein as therein defined), by and among the Borrower, certain Lenders party thereto, Citicorp USA, Inc., as Administrative Agent for said Lenders, and Bank of America National Trust and Savings Association, as Documentation Agent for said Lenders. The Borrower hereby gives you notice pursuant to Section 2.03(a) of the Credit Agreement that the undersigned hereby requests a Bid Borrowing under the Credit Agreement, and in that connection sets forth below the terms on which such Bid Borrowing (the "Proposed Bid Borrowing") is requested to be made:

(A) Date of Proposed Bid Borrowing:
(B) Aggregate Amount of Proposed Bid Borrowing:
(C) Maturity Date:
(D) Currency if the Proposed Bid Borrowing
is comprised of Eurodollar Advances:
(E) Interest Payment Date(s):
(F) Other Terms

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Bid Borrowing:

(A) the representations and warranties contained in Section 4.01 of the Credit Agreement are correct, before and after giving effect to the Proposed Bid Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, except to the extent that any such representation or warranty expressly relates only to an earlier date, in which case they were correct as of such earlier date; and

(B) no event has occurred and is continuing, or will result from such Proposed Bid Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default or a Potential Event of Default.

The undersigned hereby confirms that the Proposed Bid Borrowing is to be made available to it in accordance with Section 2.03 of the Credit Agreement.

Very truly yours,

[THE DIAL CORP] [VIAD CORP]

By:
Title:

EXHIBIT B

[FORM OF ASSIGNMENT AND ACCEPTANCE]

ASSIGNMENT AND ACCEPTANCE

Dated [ ], 19[ ]

Reference is made to that certain Amended and Restated Credit Agreement dated as of July 24, 1996 (as it may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement") among [The Dial Corp][Viad Corp] (the "Borrower"), the Lenders (as defined in the Credit Agreement), Citicorp USA, Inc., as Administrative Agent for the Lenders, and Bank of America National Trust and Savings Association, as Documentation Agent for the Lenders. Terms defined in the Credit Agreement and not defined herein are used herein with the same meaning.

[ ] (the "Assignor") and [ ] (the "Assignee") agree as follows:

1. The Assignor hereby sells and assigns without recourse to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, that interest in and to all of the Assignor's rights and obligations under the Credit Agreement as of the Effective Date which represents the percentage interest specified on Schedule 1 of all outstanding rights and obligations under the Credit Agreement, including, without limitation, such interest in the Assignor's Commitment and the Advances owing to the Assignor. After giving effect to such sale and assignment, the Assignee's Commitment, the amount of the Advances owing to the Assignee, and the Commitment Termination Date of the Assignee will be as set forth in Section 2 of Schedule 1. In consideration of Assignor's assignment, Assignee hereby agrees to pay to Assignor, on the Effective Date, the amount of $[ ] in immediately available funds by wire transfer to Assignor's office at [ ].

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto; and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto.

3. The Assignee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 4.01 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon the Agents, the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) confirms that it is an Eligible Assignee; (iv) appoints and authorizes each Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement as are delegated to such Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (v) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender; and (vi) specifies as its Domestic Lending Office (and address for notices) and Eurodollar Lending Office the offices set forth beneath its name on the signature pages hereof [and (vii) attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty].*

4. Following the execution of this Assignment and Acceptance by the Assignor and the Assignee, it will be delivered to the Administrative Agent for acceptance and recording by the Administrative Agent. The effective date of this Assignment and Acceptance shall be the date of acceptance thereof by the Administrative Agent, unless otherwise specified on Schedule 1 hereto (the "Effective Date").

5. Upon such acceptance and recording by the Administrative Agent, as of the Effective Date, (i) the Assignee shall be a party to

the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement.

- --------------
*If the Assignee is organized under the laws of a jurisdiction outside the United States.

6. Upon such acceptance and recording by the Administrative Agent, from and after the Effective Date, the Administrative Agent shall make all payments under the Credit Agreement in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Credit Agreement for periods prior to the Effective Date directly between themselves.

7. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed by their respective officers "hereunto duly authorized, as of the date first above written, such execution being made on Schedule 1 hereto.

Schedule 1
to
Assignment and Acceptance
Dated [ ], 19[ ]

Section 1.
- ----------

Percentage Interest: [ ]%

Section 2.
- ----------

Assignee's Commitment: $[ ]
Aggregate Outstanding Principal
Amount of Advances owing to
the Assignee: $[ ]

Advances payable to the Assignee

Principal amount: [ ]

Advances payable to the Assignor

Principal amount: [ ]

Assignee's Commitment Termination
Date: [ ], 199[ ]

Section 3.
- ----------

Effective Date*: [ ], 199[ ]

[NAME OF ASSIGNOR]

By:
Title:

[NAME OF ASSIGNEE]

By:
Title:

- ------------------
' This date should be no earlier than the date of acceptance by the Administrative Agent.

Domestic Lending Office

(and address for notices):
[Address]

Eurodollar Lending Office:
[Address]

Accepted this [ ] day
of [ ], 199[ ]

CITICORP USA, INC., as
Administrative Agent

By:
Title:

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION, as
Documentation Agent

By:
Title:

[THE DIAL CORP] [VIAD CORP]

By:
Title:

EXHIBIT C-l

[FORM OF OPINION OF COUNSEL TO BORROWER
AS OF THE CLOSING DATE]

[CLOSING DATE]

Citicorp USA, Inc.,
as Administrative Agent
1 Court Square
Long Island City, New York 11120

Bank of America National Trust
and Savings Association,
as Documentation Agent
1455 Market Street
San Francisco, California 94103

and

The Banks (the "Banks") Listed on
Schedule I Party to the Credit
Agreement Referred to Below

Re: Amended and Restated Credit Agreement dated as of July 24, 1996, among The Dial Corp, the Banks named therein, Citicorp USA, Inc. as Administrative Agent, and Bank of America National Trust and Savings Association, as Documentation Agent

Ladies and Gentlemen:

I am Vice President and General Counsel of The Dial Corp, a Delaware corporation (the "Borrower"), and as such have acted as counsel to the Borrower in connection with the negotiation, execution and delivery by the Borrower of the Amended and Restated Credit Agreement dated as of July 24, 1996 (the "Credit Agreement") among the Borrower, the Banks, Citicorp USA, Inc. as Administrative Agent, and Bank of America National Trust and Savings Association as Documentation Agent. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as therein defined.

This opinion is delivered to you pursuant to Section 3.01(a)(vi) of the Credit Agreement. I have examined the Credit Agreement and I have examined or am familiar with originals or copies, the authenticity of which has been established to my satisfaction of such other documents, corporate records, agreements and instruments, and certificates of public officials and of officers of the Borrower as I have deemed necessary or appropriate to enable me to express the opinions set forth below. As to questions of fact material to such opinions, I have, when relevant facts were not independently established, relied upon certification by officers of the Borrower, which I believe to be reliable.

The opinions hereinafter expressed are subject to the fact that I am a member of the State Bar of Arizona and do not hold myself out as an expert on the laws of other states or jurisdictions except (i) the federal law of the United States of America, (ii) the General Corporation Law of the State of Delaware, and (iii) the laws of New York relevant to the opinions herein expressed.

Based upon the foregoing and having regard to legal considerations which I have deemed relevant, it is my opinion that:

1. The Borrower is a corporation validly existing and in good standing under the laws of the State of Delaware and is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions which require such qualification, except to the extent that failure to so qualify would not have a material adverse effect on the Borrower. The Borrower has all requisite corporate power and authority to own and operate its properties, to conduct its business as presently conducted, and to execute, deliver and perform its obligations under the Credit Agreement.

2. The Credit Agreement has been duly authorized by all necessary corporate action on the part of the Borrower and has been duly executed and delivered by the Borrower. The Credit Agreement constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency and reorganization laws and other similar laws governing the enforcement of lessors' or creditors' rights and by the effects of specific performance, injunctive relief and other equitable remedies.

3. Neither the execution and delivery by the Borrower of the Credit Agreement, nor consummation of the transactions contemplated thereby, nor compliance on or prior to the date hereof with the terms and conditions thereof by the Borrower conflicts with or is a violation of, its certificate of incorporation or bylaws, each as in effect on the date hereof. Neither the execution and delivery by the Borrower of the Credit Agreement, nor the consummation of the transactions contemplated thereby, nor compliance on or prior to the date hereof with the terms and conditions thereof by the Borrower will result in a violation of any applicable federal or New York law, governmental rule or regulation or of the Corporation Law of the State of Delaware or conflicts with, will result in a breach of, or constitutes a default under, any provision of any indenture, agreement or other instrument to which the Borrower is a party or any of its properties may be bound ("Material Agreements"), or any order, judgment or decree to which the Borrower or any of its assets are bound ("Judicial Orders"), or will result in the creation or imposition of any lien upon any property or assets of the Borrower pursuant to any Material Agreement or Judicial Order.

4. Neither the making of the Advances pursuant to, nor application of the proceeds thereof in accordance with, the Credit Agreement, will violate Regulations G, T, U or X promulgated by the Board of Governors of the Federal Reserve System.

5. No consent, approval or authorization of, and no registration, declaration or filing with, any administrative, governmental or other public authority of the United States of America or the State of New York or under the Corporation Law of the State of Delaware is required by law to be obtained or made by the Borrower for the execution, delivery and performance by the Borrower of the Credit Agreement, except such filings as may be required in the ordinary course to keep in full force and effect rights and franchises material to the business of the Borrower and in connection with the payment of taxes.

6. The Borrower is not an "investment company" or a Person directly or indirectly "controlled" by or "acting on behalf of an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

This opinion is delivered to the Agents and the Banks as of the date hereof in connection with the Credit Agreement, and may not be relied upon by any person other than the Agents and the Banks and their permitted assignees, or by them in any other context, and may not be furnished to any other person or entity without my prior written consent, provided that each Bank and its permitted assignees may provide this opinion (i) to bank examiners and other regulatory authorities should they so request or in connection with their normal examination, (ii) to the independent auditors and attorneys of such Bank, (iii) pursuant to order or legal process of any court or governmental agency, (iv) in connection with any legal action to which the Bank is a party arising out of the transactions contemplated by the Credit Agreement, or (v) in connection with the assignment of or sale of participations in the Advances.

Very truly yours,

EXHIBIT C-2

[FORM OF OPINION OF COUNSEL TO BORROWER
AS OF THE EFFECTIVE DATE]

[EFFECTIVE DATE]

Citicorp USA, Inc.,
as Administrative Agent
1 Court Square
Long Island City, New York 11120

Bank of America National
Trust and Savings Association,
as Documentation Agent
1455 Market Street
San Francisco, California 94103

and

The Banks (the "Banks") Listed on
Schedule I Party to the Credit
Agreement Referred to Below

Re: Amended and Restated Credit Agreement dated as of July 24, 1996, among The Dial Corp, the Banks named therein, Citicorp USA, Inc. as Administrative Agent, and Bank of America National Trust and Savings Association as Documentation Agent

Ladies and Gentlemen:

I am Vice President and General Counsel of The Dial Corp, a Delaware corporation (the "Borrower"), and as such have acted as counsel to the Borrower in connection with the negotiation, execution and delivery by the Borrower of the Amended and Restated Credit Agreement dated as of July 24, 1996 (the "Credit Agreement") among the Borrower, the Banks, Citicorp USA, Inc. as Administrative Agent, and Bank of America National Trust and Savings Association as Documentation Agent. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as therein defined.

This opinion is delivered to you pursuant to Section 3.02(a)(ii) of the Credit Agreement. I have examined the Credit Agreement and I have examined or am familiar with originals or copies, the authenticity of which has been established to my satisfaction of such other documents corporate records, agreements and instruments, and certificates of public officials and of officers of the Borrower as I have deemed necessary or appropriate to enable me to express the opinions set forth below. As to questions of fact material to such opinions, I have, when relevant facts were not independently established, relied upon certification by officers of the Borrower, which I believe to be reliable.

The opinions hereinafter expressed are subject to the fact that I am a member of the State Bar of Arizona and do not hold myself out as an expert on the laws of other states or jurisdictions except (i) the federal law of the United States of America, (ii) the General Corporation Law of the State of Delaware, and (iii) the laws of New York relevant to the opinions herein expressed.

Based upon the foregoing and having regard to legal considerations which I have deemed relevant, it is my opinion that:

1. The Borrower is a corporation validly existing and in good standing under the laws of the State of Delaware and is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions which require such qualification, except to the extent that failure to so qualify would not have a material adverse effect on the Borrower. The Borrower has all requisite corporate power and authority to own and operate its properties, to conduct its business as presently conducted, and to execute, deliver and perform its obligations under the Credit Agreement.

2. The Credit Agreement has been duly authorized by all necessary corporate action on the part of the Borrower and has been duly executed and delivered by the Borrower. The Credit Agreement constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency and reorganization laws and other similar laws governing the enforcement of lessors' or creditors' rights and by the effects of specific performance, injunctive relief and other equitable remedies.

3. Neither the execution and delivery by the Borrower of the Credit Agreement, nor consummation of the transactions contemplated thereby, nor compliance on or prior to the date hereof with the terms and conditions thereof by the Borrower conflicts with or is a violation of, its certificate of incorporation or bylaws, each as in effect on the date hereof. Neither the execution and delivery by the Borrower of the Credit Agreement, nor the consummation of the transactions contemplated thereby, nor compliance on or prior to the date hereof with the terms and conditions thereof by the Borrower will result in a violation of any applicable federal or New York law, governmental rule or regulation or of the Corporation Law of the State of Delaware or conflicts with, will result in a breach of, or constitutes a default under, any provision of any indenture, agreement or other instrument to which the Borrower is a party or any of its properties may be bound ("Material Agreements"), or any order, judgment or decree to which the Borrower or any of its assets are bound ("Judicial Orders"), or will result in the creation or imposition of any lien upon any property or assets of the Borrower pursuant to any Material Agreement or Judicial Order.

4. Neither the making of the Advances pursuant to, nor application of the proceeds thereof in accordance with, the Credit Agreement, will violate Regulations G, T, U or X promulgated by the Board of Governors of the Federal Reserve System.

5. No consent, approval or authorization of, and no registration, declaration or filing with, any administrative, governmental or other public authority of the United States of America or the State of New York or under the Corporation Law of the State of Delaware is required by law to be obtained or made by the Borrower for the execution, delivery and performance by the Borrower of the Credit Agreement, except such filings as may be required in the ordinary course to keep in full force and effect rights and franchises material to the business of the Borrower and in connection with the payment of taxes.

6. The Borrower is not an "investment company" or a Person directly or indirectly "controlled" by or "acting on behalf of an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

This opinion is delivered to the Agents and the Banks as of the date hereof in connection with the Credit Agreement, and may not be relied upon by any person other than the Agents and the Banks and their permitted assignees, or by them in any other context, and may not be furnished to any other person or entity without my prior written consent, provided that each Bank and its permitted assignees may provide this opinion (i) to bank examiners and other regulatory authorities should they so request or in connection with their normal examination, (ii) to the independent auditors and attorneys of such Bank, (iii) pursuant to order or legal process of any court or governmental agency, (iv) in connection with any legal action to which the Bank is a party arising out of the transactions contemplated by the Credit Agreement, or (v) in connection with the assignment of or sale of participations in the Advances.

Very truly yours,

EXHIBIT D-1

[FORM OF OPINION OF O'MELVENY & MYERS
AS OF THE CLOSING DATE]

[CLOSING DATE]

Citicorp USA, Inc., as
Administrative Agent
1 Court Square
Long Island City, New York 11120

Bank of America National Trust
and Savings Association, as
Documentation Agent
1455 Market Street
San Francisco, California 94103

and

The Banks Party to the Credit Agreement
Referred to Below

Re: Amended and Restated Credit Agreement dated as of July 24, 1996 among The Dial Corp, the Banks named therein, Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association, as Documentation Agent

Gentlemen:

We have participated in the preparation of the Amended and Restated Credit Agreement dated as of July 24, 1996 (the "Credit Agreement"; capitalized terms defined therein and not otherwise defined herein are used herein as therein defined) among The Dial Corp (the "Borrower"), the Banks named therein (the "Banks"), Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association, as Documentation Agent (Documentation Agent and Administrative Agent, collectively, are hereinafter referred to as "Agents"), and have acted as special counsel for the Agents for the purpose of rendering this opinion pursuant to Section 3.01(a)(vii) of the Credit Agreement.

We have participated in various conferences and telephone conferences with representatives of the Borrower and the Agents and conferences and telephone calls with counsel to the Borrower, and with your representatives, during which the Credit Agreement and related matters have been discussed, and we have also participated in the meeting held on the date hereof (the "Closing") incident to the effectiveness of the Credit Agreement. We have reviewed the forms of the Credit Agreement and the exhibits thereto, and the opinion of [L. Gene Lemon], General Counsel of the Borrower (the "Opinion"), and officers' certificates and other documents delivered at the Closing. We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals or copies, the due authority of all persons executing the same, and we have relied as to factual matters on the documents which we have reviewed.

On the basis of such examination, our reliance upon the assumptions contained herein and our consideration of those questions of law we considered relevant and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. The Credit Agreement constitutes the legally valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. In giving the foregoing opinion, we have assumed, without independent investigation, that the Credit Agreement has been duly authorized by all necessary corporate action on the part of the Borrower and has been duly executed and delivered by the Borrower.

2. The Opinion is satisfactory in form to us and, in our opinion, you are justified in relying thereon.

Our opinions in paragraph 1 above as to the enforceability of the Credit Agreement are subject to:

(a) public policy considerations, statutes or court decisions that may limit the rights of a party to obtain indemnification against its own gross negligence, willful misconduct or unlawful conduct; and

(b) the unenforceability under certain circumstances of waivers of rights granted by law where the waivers are against public policy or prohibited by law.

We express no opinion as to the effect of non-compliance by you with any state or federal laws or regulations applicable to the transactions contemplated by the Credit Agreement because of the nature of your business.

The law covered by this opinion is limited to the present federal law of the United States and the present law of the State of New York. We express no opinion as to the laws of any other jurisdiction. This opinion is furnished by us as special counsel for the Agents and may be relied upon by you only in connection with the Credit Agreement. It may not be used or relied upon by you for any other purpose or by any other person, nor may copies be delivered to any other person, without in each instance our prior written consent. You may, however, deliver a copy of this opinion to permitted assignees of all or a portion of a Lender's rights and obligations under the Credit Agreement in connection with such assignment, and such assignees may rely on this opinion as if it were addressed and had been delivered to them on the date of this opinion. This opinion may also be disclosed to regulatory and other governmental authorities having jurisdiction over you requesting (or requiring) such disclosure.

Respectfully submitted,

[FORM OF OPINION OF O'MELVENY & MYERS
AS OF THE EFFECTIVE DATE]

[EFFECTIVE DATE]

Citicorp USA, Inc., as
Administrative Agent
1 Court Square
Long Island City, New York 11120

Bank of America National Trust
and Savings Association, as
Documentation Agent
1455 Market Street
San Francisco, California 94103

and

The Banks Party to the Credit Agreement
Referred to Below

Re: Amended and Restated Credit Agreement dated as of July 24, 1996 among The Dial Corp, the Banks named therein, Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association as Documentation Agent

Gentlemen:

We have participated in the preparation of the Amended and Restated Credit Agreement dated as of July 24, 1996 (the "Credit Agreement"; capitalized terms defined therein and not otherwise defined herein are used herein as therein defined) among The Dial Corp (the "Borrower"), the Banks named therein (the "Banks"), Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association, as Documentation Agent (Documentation Agent and Administrative Agent, collectively, are hereinafter referred to as "Agents"), and have acted as special counsel for the Agents for the purpose of rendering this opinion pursuant to Section 3.01(a)(vii) of the Credit Agreement.

We have participated in various conferences and telephone conferences with representatives of the Borrower and the Agents and conferences and telephone calls with counsel to the Borrower, and with your representatives, during which the Credit Agreement and related matters have been discussed, and we have also participated in the meeting held on the date hereof (the "Closing") incident to the effectiveness of the Credit Agreement. We have reviewed the forms of the Credit Agreement and the exhibits thereto, and the opinion of [L. Gene Lemon], General Counsel of the Borrower (the "Opinion"), and officers' certificates and other documents delivered at the Closing. We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals or copies, the due authority of all persons executing the same, and we have relied as to factual matters on the documents which we have reviewed.

On the basis of such examination, our reliance upon the assumptions contained herein and our consideration of those questions of law we considered relevant and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. The Credit Agreement constitutes the legally valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. In giving the foregoing opinion, we have assumed, without independent investigation, that the Credit Agreement has been duly authorized by all necessary corporate action on the part of the Borrower and has been duly executed and delivered by the Borrower.

2. The Opinion is satisfactory in form to us and, in our opinion, you are justified in relying thereon.

Our opinions in paragraph 1 above as to the enforceability of the Credit Agreement are subject to:

(a) public policy considerations, statutes or court decisions that may limit the rights of a party to obtain indemnification against its own gross negligence, willful misconduct or unlawful conduct; and

(b) the unenforceability under certain circumstances of waivers of rights granted by law where the waivers are against public policy or prohibited by law.

We express no opinion as to the effect of non-compliance by you with any state or federal laws or regulations applicable to the transactions contemplated by the Credit Agreement because of the nature of your business.

The law covered by this opinion is limited to the present federal law of the United States and the present law of the State of New York. We express no opinion as to the laws of any other jurisdiction.

This opinion is furnished by us as special counsel for the Agents and may be relied upon by you only in connection with the Credit Agreement. It may not be used or relied upon by you for any other purpose or by any other person, nor may copies be delivered to any other person, without in each instance our prior written consent. You may, however, deliver a copy of this opinion to permitted assignees of all or a portion of a Lender's rights and obligations under the Credit Agreement in connection with such assignment, and such assignees may rely on this opinion as if it were addressed and had been delivered to them on the date of this opinion. This opinion may also be disclosed to regulatory and other governmental authorities having jurisdiction over you requesting (or requiring) such disclosure.

Respectfully submitted,

EXHIBIT E

[FORM OF EXTENSION REQUEST]
[THE DIAL CORP] [VIAD CORP]

REQUEST FOR EXTENSION OF COMMITMENT TERMINATION DATE

[Date]

[Name and Address of Eligible Lender]

Pursuant to that certain Amended and Restated Credit Agreement dated as of July 24, 1996 (as amended from time to time, the "Credit Agreement", the terms defined therein being used herein as therein defined) among [The Dial Corp][Viad Corp] (the "Borrower"), certain Lenders party thereto, Citicorp USA, Inc., as Administrative Agent for said Lenders, and Bank of America National Trust and Savings Association, as Documentation Agent for said Lenders, this represents the Borrower's request to extend the Commitment Termination Date of each Eligible Lender to [1] pursuant to Section 2.16 of the Credit Agreement.

The Borrower hereby certifies that the following statements are true on the date hereof, and will be true on the date of the effectiveness of the extension requested hereby ("Proposed Extension"):

(a) the representations and warranties contained in Section 4.01 of the Credit Agreement are correct, before and after giving effect to the Proposed Extension, as though made on and as of such date, except to the extent that any such representation or warranty expressly relates only to an earlier date, in which case they were correct as of such earlier date;

(b) no event has occurred and is continuing, or would result from the Proposed Extension, which constitutes an Event of Default or a Potential Event of Default; and

- -------------

[1] Insert date which is one year or two years after the latest Commitment Termination Date in effect.

(c) the balance sheet of the Borrower and its Subsidiaries as at [ ], 199[ ][2], and the related statements of income and retained earnings of the Borrower and its Subsidiaries for the fiscal year then ended, copies of each of which have been furnished to each Lender, fairly present the financial condition of the Borrower and its Subsidiaries as at such applicable date and the results of the operations of the Borrower and its

Subsidiaries for the fiscal year ended on such applicable date, all in accordance with GAAP consistently applied, and since [ ], 199[ ][2], there has been no material adverse change in the business, condition (financial or otherwise), operations or properties of the Borrower and its Subsidiaries, taken as a whole.

Please indicate your consent to such extension of the Commitment Termination Date by signing the attached copy of this request in the space provided below and returning the same to the undersigned.

Very truly yours,

[THE DIAL CORP] [VIAD CORP]

By:
Title:

The undersigned Eligible Lender hereby consents to the extension of its Commitment Termination Date as requested above. This consent is subject to the terms of Section 2.16 of the Credit Agreement.

DATED:

[ELIGIBLE LENDER]

By:
Title:

- ----------
[2] Insert date of the most recent audited balance sheet of the Borrower and its Subsidiaries.

EXHIBIT F

[FORM OF COMPLIANCE CERTIFICATE]

The undersigned certifies that: (i) this Certificate is as of [ ] and pertains to the period from [ ] to [ ], (ii) the undersigned has reviewed the terms of that certain Amended and Restated Credit Agreement, dated as of July 24, 1996, among The Dial Corp (to be known as The Viad Corp upon the effectiveness of such Credit Agreement), the Banks named therein, Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association, as Documentation Agent (as it may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement") and has made, or caused to be made under the undersigned's supervision, a review in reasonable detail of the transactions and condition of the Borrower and its Subsidiaries during the period set forth above and (iii) such review has not disclosed the existence during or at the end of such period, and the undersigned does not have knowledge of the existences as of the date of this Certificate, of any condition or event that constitutes an Event of Default or Potential Event of Default.[3] Capitalized terms used herein shall have the meanings set forth in the Credit Agreement.

A. Net Worth
For the Borrower and its Subsidiaries:

1.	Net Worth as of the Effective Date	$[ ]
2.	80% multiplied (1)	$[ ]
3.	Net Income (if a positive number) from the Effective Date to most recent June 30 or December 31	$[ ]
4.	25% multiplied (3)	$[ ]

- ----------
[3] If any event or condition that constitutes an Event of Default or Potential Event of Default exists, the Certificate should

include the nature and period of existence of such event or condition and what action the Borrower has taken, is taking and proposes to take with respect thereto.

5.	aggregate net proceeds, including cash and the fair market value of property other than cash, received by the Borrower from the issue or sale of capital stock of the Borrower from the Effective Date to the most recent June 30 or December 31	$[ ]
6.	aggregate of 25% of the after tax gains realized from unusual, extraordinary, and major nonrecurring items from the Effective Date to the most recent June 30 or December 31	$[ ]
7.	Additions to Capital [(5) plus (6)]	$[ ]
8.	Net Worth	$[ ]
9.	Minimum Net Worth permitted under Credit Agreement [(2) plus (4) plus (7)]	$[ ]

B. Maximum Funded Debt Ratio. For the Borrower and its Subsidiaries (for each period consisting of the most recently ended four consecutive fiscal quarters of the Borrower):

1.	indebtedness for borrowed money or for the deferred purchase price of property or services	$[ ]
2.	obligations as lessee under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases	$[ ]
3.	obligations under guarantees in respect of indebtedness or obligations of others of the kinds referred to in clauses (1) and (2) of this Section B	$[ ]
4.	Funded Debt [(1) plus (2) plus (3)]	$[ ]
5.	consolidated net income plus provision for taxes (excluding extraordinary, unusual, or nonrecurring gains or losses)	$[ ]
6.	interest expense	$[ ]
7.	depreciation expense and amortization of intangibles	$[ ]
8.	EBITDA [(5) plus (6) plus (7)]	$[ ]
9.	Ratio of Funded Debt to EBITDA [(4):(8)]	[:]
10.	Maximum Funded Debt Ratio required under Credit Agreement	3.00:1.00

By:
Title:

EXHIBIT G-1

[FORM OF PROMISSORY NOTE (COMMITTED ADVANCES)]

PROMISSORY NOTE

[ ] Dated: [ ], 19[ ]

FOR VALUE RECEIVED, the undersigned, [THE DIAL CORP][VIAD CORP], a Delaware corporation (the "Borrower"), HEREBY PROMISES TO PAY to the order of [ ] (the "Lender"), for the account of its Applicable Lending Office, the unpaid principal amount of each Advance made by the Lender to the Borrower pursuant to the Credit Agreement referred to below on or before the Termination Date of the Lender. The Borrower promises to pay interest on the unpaid principal amount of each such Advance on the dates and at the rate or rates provided for in the Credit Agreement. All such payments of principal and interest shall be made in United States dollars in same day funds at the Administrative Agent's office, as specified in the Credit Agreement.

All Advances made by the Lender, the respective maturities thereof and all repayments of principal thereof shall be recorded by the Lender and, prior to any transfer hereof, appropriate notations to evidence the foregoing information with respect to each such Advance then outstanding shall be endorsed by the Lender on the schedule attached hereto, or on a continuation of such schedule attached to and made a part hereof, or in the records of such Lender in accordance with its usual practice; provided that the failure of the Lender to make any such recordation or endorsement shall not affect the obligations of the Borrower hereunder or under the Credit Agreement.

This promissory note is one of the promissory notes referred to in Section 2.14(d) of that certain Amended and Restated Credit Agreement dated as of July 24, 1996, among the Borrower, the Lenders named therein, Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association as Documentation Agent (said Credit Agreement, as it may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"). Terms defined in the Credit Agreement are used herein with the same meanings. Reference is hereby made to the Credit Agreement for provisions relating to this promissory note, including, without limitation, the mandatory and optional prepayment hereof and the acceleration of the maturity hereof.

[THE DIAL CORP] [VIAD CORP]

By:
Title:

TRANSACTIONS ON PROMISSORY NOTE

Date	Amount of Advance Made This Date	Maturity Period	Interest Rate	Amount of Payment	Notation Made By
- ----	---------	--------	--------	-------	--------

EXHIBIT G-2

[FORM OF PROMISSORY NOTE (BID ADVANCES)]

PROMISSORY NOTE

[ ] Dated: [_____], 19[ ]

FOR VALUE RECEIVED, the undersigned, [THE DIAL CORP][VIAD CORP], a Delaware corporation (the "Borrower"), HEREBY PROMISES TO PAY to the order of [ ] (the "Lender") for the account of its Applicable Lending Office (as defined in the Credit Agreement referred to below) the principal amount of each Bid Advance (as defined below) made by the Lender to the Borrower pursuant to the Credit Agreement on the maturity date of such Bid Advance determined pursuant to the Credit Agreement.

The Borrower further promises to pay interest on the unpaid principal amount of each Bid Advance from the date of such Bid Advance until such principal amount is paid in full, at such interest rates, and payable at such times, in accordance with the terms of the Credit Agreement .

Both principal and interest are payable in lawful money of the United States of America to Citicorp USA, Inc., as Agent, at the office of Citibank, N.A. located at 1 Court Square, 7th Floor, Long Island City, New York, 11120 in same day funds. Each Bid Advance made by the Lender to the Borrower pursuant to the Credit Agreement, and all payments made on account of principal thereof, shall be recorded by the Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Promissory Note.

This Promissory Note is one of the promissory notes referred to in

Section 2.14(d) of, and is entitled to the benefits of, that certain Amended and Restated Credit Agreement dated as of July 24, 1996 (as it may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement") by and among Borrower, the financial institutions named therein, Citicorp USA, Inc., as Administrative Agent and Bank of America National Trust and Savings Association, as Documentation Agent. The Credit Agreement, among other things, contains provisions for the making of certain advances (the "Bid Advances") at the discretion of the Lender, and for the acceleration of the maturity of the Bid Advances upon the happening of certain stated events.

The date and amount of each Bid Advance, the maturity thereof and the interest rate applicable thereto and all payments made by the Borrower on account of principal hereof shall be recorded by the Lender and, prior to any transfer of this Promissory Note, entered by the Lender on the grid attached hereto, which is part of this Promissory Note, provided that the Lender shall not be liable to the Borrower or to any other person for failure to record any of the foregoing matters on the grid or otherwise in the Lender's records. Such grid or such other record maintained by the Lender shall, in the absence of manifest error, be conclusive evidence of the matters so recorded.

The Borrower hereby waives presentment, demand, protest, and notice of any kind. No failure to exercise, and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York, United States.

[THE DIAL CORP] [VIAD CORP]

By:
Title:

TRANSACTIONS ON PROMISSORY NOTE

Date	Amount of Advance Made This Date	Maturity Period	Interest Rate	Amount of Payment	Notation Made By
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EXHIBIT H

[FORM OF DESIGNATION AGREEMENT]

DESIGNATION AGREEMENT

Dated [ ], 19[ ]

Reference is made to that certain Amended and Restated Credit Agreement dated as of July 24, 1996 (as it may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined) by and among [The Dial Corp][Viad Corp], a Delaware corporation (the "Company"), the financial institutions named therein, Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association, as Documentation Agent.

[ ] (the "Designator") and [ ] (the "Designee") agree as follows:

1. The Designator hereby designates the Designee, and the Designee hereby accepts such designation, to have a right to make Bid Advances pursuant to Section 2.03 of the Credit Agreement.

2. The Designator makes no representation or warranty and assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto and (ii) the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto.

3. The Designee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 4.01 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Designation Agreement; (ii) agrees that it will, independently and without reliance upon the Agent, the Designator or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in

taking or not taking action under the Credit Agreement; (iii) confirms that it is a Designated Bidder; (iv) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (v) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender; and (vi) specifies as its Applicable Lending Office with respect to Bid Advances (and address for notices) the offices set forth beneath its name on the signature page[s] hereof.

[Remainder of page intentionally left blank]

A. This Designation Agreement shall be effective upon the execution of this Agreement by the Designator, Designee and the Agent and the approval of the Company as provided in the Credit Agreement.

1. This Designation Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

[NAME OF DESIGNATOR]

By:
Title:

[NAME OF DESIGNEE]

By:
Title:

Domestic Lending Office
(and address for notices):
[Address]

Eurodollar Lending Office:
[Address]

Accepted this [ ] day
of [ ], 19[ ]

Citicorp USA, Inc.
as Administrative Agent

By:
Title:

Bank of America National
Trust and Savings Association
as Documentation Agent

By:
Title:

J. W. TEETS CONSULTING CONTRACT

Contract effective January 1, 1997, between Viad Corp, a corporation organized under the laws of the State of Delaware, with its principal office located at 1850 N. Central Avenue, Phoenix, Arizona, 85077, herein referred to as "Company," and J. W. Teets, of Paradise Valley, Arizona, herein referred to as "Consultant."

RECITALS

A. Company, recognizing the past experience of Consultant as CEO of Company, desires to have the following services, as a consultant, to be performed by Consultant: To be on call, from time to time, as requested by the CEO of Company.

B. Consultant agrees to perform these services for Company under the terms and conditions set forth in this contract.

In consideration of the mutual promises set forth in this contract, it is agreed by and between Company and Consultant as follows:

SECTION ONE
NATURE OF WORK

Consultant will perform consulting and advisory services on behalf of the Company, as may be requested from time to time by the CEO of Company.

SECTION TWO
PLACE OF WORK

It is understood that Consultant's services will be rendered principally at the sixth floor of Viad Tower, Phoenix, Arizona, but that Consultant will, on request, come to the Company's headquarters offices or travel to other places as designated by the CEO of the Company, to meet with Company representatives or others.

SECTION THREE
TIME DEVOTED TO WORK

In the performance of the services, the services and the hours Consultant is to work on any given day will be entirely within Consultant's control and Company will rely upon Consultant to put in such number of hours as is reasonably necessary to fulfill the spirit and purpose of this contract. This arrangement will probably take no more than 10 hours per week, although there will be weeks during which Consultant may not perform any services at all.

SECTION FOUR
PAYMENT

Company will pay Consultant the total sum of One Hundred and Twenty Thousand Dollars ($120,000) annually, payable on the first of each month in monthly installments. In addition, Consultant will be reimbursed for all traveling and living expenses while away from the area of the City of Phoenix, State of Arizona. Consultant agrees to submit receipts or other evidence of such authorized expenses to Company in order to obtain reimbursement.

SECTION FIVE
OFFICE SPACE

Although this Consulting Contract is for a period of 2 years, Company will provide Consultant with suitable office space and secretarial services on the sixth floor of Viad Tower for a period of 5 years from the date of this Contract.

SECTION SIX
DURATION

The parties hereto contemplate that this contract will run for two years from date hereof. At any time, Consultant may notify Company that the Contract shall be terminated 60 days after such notice. All consulting payments shall cease but Consultant shall continue to have the use of the office space and secretarial services for the full five-year term herein.

SECTION SEVEN

STATUS OF CONSULTANT

This contract calls for the performance of the services of Consultant as an independent contractor and Consultant will not be considered an employee of the Company for any purpose.

SECTION EIGHT
SERVICES FOR OTHERS

Inasmuch as Consultant will acquire or have access to information that is of a highly confidential and secret nature, it is expected that Consultant will maintain the information in a confidential manner. Further, in consideration of the execution of this Contract, Consultant will not become interested, directly or indirectly, either as an employee, owner, partner, agent, stockholder, director, officer or otherwise in a business, trade or occupation which competes with the business of the Company or any of its subsidiaries. This covenant not to compete shall expire on December 31, 1998, and shall survive any early termination under Section Six.

SECTION NINE
USE OF COMPANY AIRCRAFT

In order to provide reasonable security to Consultant and his spouse while traveling after retirement, Consultant, subject to Aircraft availability, may use the Company Aircraft for a period of one year from January 1, 1997: (1) when conducting Company business directed and approved by the CEO of the Company; or (2) when Aircraft is scheduled for use by Company officers or approved employees and there are passengers thereon. Consultant shall be charged not more than the taxable income as provided by the Internal Revenue Code or regulations promulgated thereunder for use of Corporate Aircraft. Consultant's use of Aircraft shall be limited to a maximum of 50 flight hours.

IN WITNESS WHEREOF, the parties have executed this agreement at Phoenix, Arizona, the day and year first above written.

By: /s/ Robert H. Bohannon
for VIAD Corp

/s/ John W. Teets

DEFERRED COMPENSATION PLAN FOR DIRECTORS OF THE DIAL CORP

AS AMENDED AND RESTATED
JULY 25, 1996

1. ESTABLISHMENT AND CONTINUATION OF PLAN.

There was heretofore established, in recognition of the valuable services provided to Greyhound Dial Corporation by the individuals who serve as members of its Board of Directors, an unfunded plan of voluntary deferred compensation known as the "Directors Deferred Compensation Plan" (Plan). The Dial Corp, a Delaware corporation and successor by operation of law to Greyhound Dial Corporation, intends to distribute to its stockholders (the Spin-Off) one share of common stock, $0.01 par value, of The Dial Corporation, its wholly-owned subsidiary (Consumer Products) which will own and operate its consumer products business (Consumer Products Common Stock). Following the Spin-Off, The Dial Corp will change its name to "Vied Corp". All references herein to the "Corporation" mean The Dial Corp, prior to the Spin-Off, and Viad Corp, following the Spin-Off. All Directors of the Corporation, except Directors receiving a regular salary as an employee of the Corporation or one of its subsidiaries, are eligible to participate in this Plan. All Directors who become directors of Consumer Products and cease to be directors of the Corporation in connection with the Spin-Off will no longer be eligible to participate in this Plan, and all obligations accrued prior to the date of the Spin-Off under this Plan with respect to such individuals will be assumed by Consumer Products. A Director may elect to defer under this Plan any retainer or meeting attendance fee otherwise payable to him or her (Compensation) by the Corporation or by domestic subsidiaries of this Corporation (subsidiaries).

2. EFFECTIVE DATE.

This Plan became effective on January 1, 1981.

3. ELECTION TO PARTICIPATE IN THE PLAN.

A. (i) A Director of this Corporation may elect to defer the receipt of all or a specified part of the Compensation otherwise payable to him or her during a calendar year by the Corporation or its subsidiaries. Any person who shall become a Director during any calendar year, and who was not a Director of the Corporation or its subsidiaries on the preceding December 31, may elect before the Director's term begins to defer such Compensation. Such election shall also specify whether the account shall be treated as a cash account under Section 4A or a stock unit account under Section 4B; provided that an election to defer Compensation into a stock unit account must be specifically approved by the Board of Directors of the Corporation. If the account is to be a stock unit account, the Compensation shall be converted into stock units by dividing the closing price of the Corporation's Common Stock (as reported for the New York Stock Exchange-Composite Transactions) on the day such Compensation is payable into such Compensation.

(ii) In connection with the Spin-Off, the Dial Director's Retirement Plan (the "Retirement Plan") will be terminated. As of the Distribution Date, the Corporation will credit, to an existing or newly-established, stock unit account for each Director eligible to participate in this Plan who is a participant under the Retirement Plan (and who does not elect to continue to receive cash payments under the Retirement Plan) a number of stock units equal to (A) the present value of such Director's vested accrued benefits under the Retirement Plan divided by (B) the closing price of the Corporation's Common Stock (as reported for the New York Stock Exchange-Composite Transactions) as of the first trading day following the Distribution Date. Such stock unit account shall thereafter be maintained in accordance with this Plan.

B. Any election under this Plan, unless otherwise provided therein, shall be made by delivering a signed request to the Secretary of the Corporation on or before

December 31 with respect to the following calendar year, or, for a new Director, on or before his or her term begins. An election shall continue from year to year, unless specifically limited, until terminated by a signed request in the same manner in which an election is made. However, any such termination shall not become effective until the end of the calendar year in which notice of termination is given.

C. Each Director may, by notice delivered to the Secretary of the Corporation, convert: (i) the aggregate balance in his or her deferred compensation account (either before or after payments from the account may have commenced) from an account in the form of stock units to an account in the form of cash in an amount equal to such stock units balance multiplied by the closing price of the Common Stock of the Corporation (as reported from the New York Stock Exchange-Composite Transactions) on the last trading day of the month in which such notice is given, said account to accrue interest as set forth in Section 4 below or (ii) convert the aggregate balance in his or her deferred compensation account (either before or after installment payments from the account may have commenced) from an account in the form of cash to an account in the form of stock units in an amount equal to cash balance divided by the closing price of the Common Stock of the Corporation (as reported for the New York Stock Exchange-Composite Transactions) on the last trading day of the month in which such notice is given, said account to accrue dividend equivalents as set forth in Section 4 below; provided however, that no such notice of conversion ("Conversion Notice") (a) may be given within six months following the date of an election by such Director, with respect to any plan of the Corporation, that effected a Discretionary Transaction (as defined in Rule 16b-3(f) under the Securities Exchange Act of 1934) that was an acquisition (if the Conversion Notice is pursuant to clause (i)) or a disposition (if the Conversion Notice is pursuant to clause (ii)) or (b) may be given after an individual ceases to be a Director.

4. ACCRUAL OF INTEREST OR DIVIDEND EQUIVALENTS.

A. If a Director has elected to defer Compensation in the form of cash, then interest on the unpaid balance of such Director's deferred compensation account, consisting of both accumulated Compensation and interest, if any, will be credited on the last day of each quarter based upon the yield on Merrill Lynch Taxable Bond Index-Long Term Medium Quality (A3) Industrial Bonds in effect at the beginning of such quarter, said interest to commence with the date such compensation was otherwise payable. After payment of deferred Compensation commences, interest shall accrue on the unpaid balance thereof in the same manner until all such deferred Compensation has been paid.

B. If a Director has elected to defer Compensation in the form of stock units, then, in the event of a dividend paid in cash, stock of the Corporation (other than Common Stock) or property, additional credits (dividend equivalents) shall be made to the Director's stock unit account consisting of a number of stock units equal to the amount of such dividend per share (or the fair market value, on the date of payment, of dividends paid in stock or property), multiplied by the aggregate number of stock units credited to such Director's deferred compensation account on the record date for the payment of such dividend, divided by the last closing price of the Corporation's Common Stock (as reported for the New York State Exchange-Composite transactions) prior to the date such dividend is payable to stockholders. After payment of deferred Compensation commences, dividend equivalents shall accrue on the unpaid balance thereof in the same manner until all such deferred Compensation has been paid.

C. In the event of a dividend of Common Stock de-clared and paid by the Corporation, an additional credit shall be made to the Director's stock unit account of a number of stock units equal to the number of shares of the Corporation's Common Stock which the Director would have received as a stock dividend had he or she been the owner on the record date for the payment of such stock dividend of the number of shares of Common Stock equal to the number of units in such stock unit account on such date. After payment of deferred Compensation commences, additional credits for stock dividends shall accrue on the unpaid

balance thereof in the same manner until all such deferred Compensation has been paid.

D. Notwithstanding and in lieu of the foregoing, in the case of the dividend distribution by the Corporation of the Consumer Products Common Stock in the Spin-Off, a new stock unit and cash account (the Special Account) will be established for each Director (in addition to any existing stock unit account) which will be credited with a number of units representing Consumer Products Common Stock equal to the number of stock units in such Director's account immediately prior to the Spin-Off. From and after the Spin-Off, the Corporation will credit the Special Account with amount(s) denominated in cash, representing all dividends paid by Consumer Products on the Consumer Products Common Stock, whether paid in cash, Consumer Products Common Stock, other stock or property, in an amount equal to the amount of such dividend per share of Consumer Products Common Stock (or the fair market value on the date of payment of dividends paid in stock or property) multiplied by the aggregate number of stock units credited to such Director's Special Account on the record date for payment of such dividend. The amount credited as cash shall thereafter accrue interest in accordance with Section 4A. A Director may convert the stock unit portion of the Special Account into an account in the form of cash by using the notice procedures in Section 3C without regard to the six months restriction set forth in the proviso thereto (it being understood that the closing price of the Consumer Products Common Stock, instead of Corporation Common Stock, will be used for such conversion). Section 3C may not, however, be used to convert a cash account into additional units of Consumer Products Common Stock in the Special Account.

5. ACCOUNTING.

No fund or escrow deposit shall be established by any deferred Compensation payable pursuant to this Plan, and the obligation to pay deferred Compensation hereunder shall be a general unsecured obligation of the Corporation, payable out of its general account, and deferred Compensation shall accrue to the general account of the Corporation. However, the Controller of the Corporation shall maintain an account and properly credit Compensation to each such account, and keep a record of all sums which each participating Director has elected to have paid as deferred Compensation and of interest or dividend equivalents accrued thereon. Within sixty (60) days after the close of each calendar year the Controller shall furnish each Director who has participated in the Plan a statement of all sums and stock units, including interest and dividend equivalents, which have accrued to the account of such Director as of the end of such calendar year.

6. PAYMENT FROM DIRECTORS' ACCOUNTS.

A. After a Director ceases to be a director of the Corporation, the aggregate amount of deferred compensation credited to a Director's account, either in the form of cash or stock units, together with interest or dividend equivalents accrued thereon, shall be paid in a lump sum or, if the Director elects, in substantially equal quarterly, semi-annual, or annual installments over a period of years, not greater than ten (10), specified by the Director. Such election must be made by written notice delivered to the Secretary of the Corporation prior to December 31 of the year preceding the year in which, and at least six months prior to the date on which, the Director ceases to be a director. The first installment (or the lump sum payment) shall be made promptly following the date on which the Director ceases to be a Director of the Corporation, and any subsequent installments shall be paid promptly at the beginning of each succeeding specified period until the entire amount credited to the Director's account shall have been paid. To the extent installment payments are elected, and the Director's account consists of cash as well as stock units, a pro rata portion of the cash, and the cash equivalent of a pro rata portion of the stock units, shall be paid with each installment. If the participating Director dies before receiving the balance of his or her deferred compensation account, then payment shall be made in a lump sum to any beneficiary or beneficiaries which may be designated, as provided in paragraph B of this Section 6, or in the absence of such designation, or, in the event that the beneficiary designated by such Director shall have predeceased such Director, to such Director's estate.

B. Each Director who elects to participate in this Plan may file with the Secretary of the Corporation a notice in writing designating one or more beneficiaries to whom payment shall be made in the event of such Director's death prior to receiving payment of any or all of the deferred Compensation hereunder.

C. If the Director has elected to defer Compensation in the form of cash, the Corporation shall distribute a sum in cash to such Director, pursuant to his or her election provided for in paragraph A of this Section 6. If the Director has elected to defer Compensation in the form of stock units, the Corporation shall distribute to such Director, pursuant to his or her election provided for in paragraph A of this Section 6, the cash equivalent of the portion of the stock units being distributed in such installment which will be calculated by multiplying (i) the average of the month-end closing prices of the Corporation's Common Stock (or Consumer Products Common Stock, in the case of stock units in the Special Account) for the last 12 months preceding the date of each distribution, as reported for the New York Stock Exchange-Composite Transactions, by (ii) the number of stock units being distributed in such installment.

7. CHANGE OF CONTROL OR CHANGE IN CAPITALIZATION.

A. If a tender offer or exchange offer for shares of Common Stock of the Corporation (other than such an offer by the Corporation) is commenced, or if the stockholders of the Corporation shall approve an agreement providing either for a transaction in which the Corporation will cease to be an independent publicly owned corporation or for a sale or other disposition of all or substantially all the assets of the Corporation (Change of Control), a lump sum cash payment shall be made to each Director participating in the Plan of the aggregate current balance of his or her deferred compensation account accrued to the Director's deferred compensation account on the date of the Change of Control, notwithstanding any other provision herein. If the Director has elected to defer Compensation in the form of stock units, the Corporation shall distribute to such Director the sum in cash equal to the closing price of the Corporation's Common Stock on the day preceding the date of the Change of Control (as reported for the New York Stock Exchange-Composite Transactions) multiplied by the number of stock units in such account. Any notice by a Director to change or terminate his or her election to defer Compensation or before the date of the Change of Control shall be effective as of the date of the Change of Control, notwithstanding any other provision herein.

B. Any recapitalization, reclassification, split up, sale of assets, combination or merger not otherwise provided for herein which affects the outstanding shares of Common Stock of the Corporation (or the stock subject to the Special Account) or any other relevant change in the capitalization of the Corporation (or, in the case of the Special Account, Consumer Products) shall be appropriately adjusted for by the Board of Directors of this Corporation, and any such adjustments shall be final, conclusive and binding.

8. NONALIENATION OF BENEFITS.

No right or benefit under this Plan shall be subject to anticipation, alienation, sale, assignment, pledge, encumbrance or charge, and any attempt to alienate, sell, assign, pledge, encumber or charge the same shall be void. To the extent permitted by law, no right or benefit hereunder shall in any manner be attachable for or otherwise available to satisfy the debts, contracts, liabilities or torts of the person entitled to such right or benefit.

9. APPLICABLE LAW.

The Plan will be construed and enforced according to the laws of the State of Delaware; provided that the obligations of the Corporation shall be subject to any applicable law relating to the property interests of the survivors of a deceased person and to any limitations on the power of the person to dispose of his or her interest in the deferred Compensation.

10. AMENDMENT OR TERMINATION OF PLAN.

The Board of Directors of the Corporation may amend or terminate this Plan at any time, provided, however, any amendment or termination of this Plan shall not affect the rights of participating Directors or beneficiaries to payments, in accordance with Section 6 or 7, of amounts accrued to the credit of such Directors or beneficiaries at the time of such amendment or termination.

VIAD CORP

ANNUAL MANAGEMENT INCENTIVE PLAN

PURSUANT TO THE VIAD 1997 OMNIBUS INCENTIVE PLAN

I. PURPOSE:

The purpose of the Viad Corp Management Incentive Plan (Plan) is to provide key executives of Viad Corp and its subsidiaries with an incentive to achieve goals as set forth under this Plan for each calendar year (Plan Year) for their respective companies and to provide effective management and leadership to that end.

II. PHILOSOPHY:

The Plan will provide key executives incentive bonuses based upon appropriately weighted pre-defined net income and other performance measurements.

III. SUBSIDIARIES, SUBSIDIARY GROUPS AND DIVISIONS:

A. Each subsidiary, subsidiary group, line of business or division listed below is a "Company" for the purposes of this Plan:

NAME OF COMPANY

Aircraft Service International group
Brewster Transport Company Limited
Crystal Holidays, Limited
Dobbs International Services, Inc. group
Exhibitgroup/Giltspur, Inc.
GES Exposition Services, Inc. group
Greyhound Leisure Services, Inc. group
Jetsave Inc. group
Premier Cruise Lines, Inc.
Restaura, Inc. group
Travelers Express Company, Inc. group

Viad Corp may, by action if its Board of Directors or its Human Resources Committee, add or remove business units on the list of participant companies from time to time.

B. FUNDING LIMIT:

A "funding limit" shall be established annually for each Company participant who has been designated an Executive Officer as defined under Section 16b of the Securities Exchange Act. The funding limit shall be an amount determined by multiplying the actual net income of the Company for the Plan Year by the percent of such income approved by the Human Resources Committee of the Viad Corp Board of Directors (Committee) for such funding limit. The subsidiary executive cannot be paid a larger bonus than the funding limit provided by this clause, but may be paid less in the discretion of the HR Committee based on the Performance Goals set forth below and other such factors which the HR Committee may consider.

C. PERFORMANCE GOALS:

1. NET INCOME:

An appropriate "net income" target for the plan year for each Company will be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval taking into account overall corporate objectives, historical income and Plan Year financial plan income (on the same basis as determined below) and, if appropriate, other circumstances.

Net income to be used in calculating the bonus pool of each Company shall mean net income (after deducting charges against income for all incentives earned, including those earned under this Plan) adjusted to appropriately exclude the effects of gains and losses from the sale

or other disposition of capital assets other than vehicles. There will be an addback to actual net income for any additional intercompany interest cost (net of tax) incurred during the year by a subsidiary as the result of any special dividend paid (in excess of 100% of net income for the year). In addition, an addback to actual net income will be allowed for any increased cost to a subsidiary for an increase in the formula allocation of corpoate overhead over amounts included in the Plan for the year.

Special treatment of any other significant unusual or non-recurring items (for purposes of determining actual Plan Year net income) arising after a Company's targets are set may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval, including, for example, appropriate adjustment of net income target to reflect planned effects of an acquisition approved after target has been set. Other examples include extraordinary items, effects of a change in accounting principles or a change in federal income tax rates.

2. OTHER PERFORMANCE MEASUREMENTS:

An appropriate number of performance measurements other than net income will be established for each Company, to place increased emphasis on areas of importance to achieving overall corporate objectives, with the Chief Executive Officer of Viad to recommend to the HR committee the measures to be used and, at the end of the year, the level of achievement against each. Measures which may be used include, but are not limited to:

1) Cash flow growth
2) Operating income margin growth*
3) Revenue growth*
4) Receivables-days outstanding/timely and accurate billing
5) Working capital control
6) Control/reduce workers compensation and liability claims/costs
7) Profitability per employee
8) Growth in funds for payment service

* Fully taxable equivalent basis (where appropriate)

3. ESTABLISHING TARGETS:

The actual target for net income and the categories of discretionary performance measurement to be employed will be established by the Committee no later than 90 days after the beginning of the Plan Year after receiving the recommendations of the Chief Executive Officer of Viad Corp.

D. PARTICIPANT ELIGIBILITY:

The Committee will select the Executive Officers as defined under Section 16b of the Securities Exchange Act eligible for participation no later than 90 days after the beginning of the Plan Year. Other personnel will be eligible for participation as designated by each Company President or Chief Executive Officer and recommended to the Chief Executive Officer of Viad Corp for approval, limited only to those executives who occupy a position in which they can significantly affect operating results as pre-defined by appropriate and consistent criteria, i.e., base salary not less than $49,000 per year, or base salary not less than 50% of the Company's Chief Executive Officer, or position not more than the third organizational level below the Company Chief Executive Officer or another applicable criteria.

NOTE: Individuals not qualifying under the criteria established for the Plan Year who were included in

the previous year will be grandfathered (continue as qualified participants until retirement, reassignment, or termination of employment) if designated by the Company President or Chief Executive Officer, and approved by the Chief Executive Officer of Viad Corp.

E. TARGET BONUSES:

Target bonuses will be approved by the Committee for each Executive Officer in writing within the following parameters no later than 90 days after the beginning of the Plan Year and will be expressed as a percentage of salary paid during the year. Target bonuses for other eligible personnel will be established in writing within the following parameters subject to approval by the Chief Executive Officer of Viad Corp.

Actual bonus awards will be dependent on Company performance versus the targets established. A threshold performance will be required before any bonus award is earned under the net income goal. Awards will also be capped when stretch performance levels are achieved.

	As a Percentage of Salary		
Subsidiary Positions	Threshold**	Target	Cap
Chief Executive Officer/ President*	22.5%	45%	80.325%
	20.0%	40%	71.4%
Executive Vice President- Senior Vice President, and Other Operating Executives	20.0%	40%	71.4%
Vice Presidents*	17.5%	35%	62.475%
	15.0%	30%	53.55%
Key Management Reporting to Officers*	12.5%	25%	44.625%
	10.0%	20%	35.7%
Staff Professionals*	7.5%	15%	26.775%
	5.0%	10%	17.85%

* Target Bonus, as determined by the Committee, is dependent upon organization reporting relationships.

** Reflects minimum achievement of both performance targets. Threshold could be lower if minimum achievement of only one performance target is met.

F. BONUS POOL TARGET:

1. The "Bonus Pool Target" will be initially established no later than 90 days after the beginning of the Plan Year and will be adjusted to equal the sum of the target bonuses of all designated participants in each Company based upon actual Plan Year salaries, as outlined in paragraph D above, plus 15% for Special Achievement Awards.

2. The bonus pool will accrue ratably such that

(a) on 2/3 of the sum of target bonuses:

(i) no bonus will be earned if less than 90% of the net income target is achieved;

(ii) 50% (threshold) to 100% will be earned if 90% to 100% of the net income target is achieved;

(iii) 100% to 178.5% will be earned if 100% to 110% of the net income target is achieved.

(b) on 1/3 of the sum of target bonuses:

(i) No bonuses will be earned if achievement relating to the other designated performance measurements is considered unsatisfactory;

(ii) 50% (threshold) to 178.5% will be earned as determined by the Committee after considering the recommendation of the Chief Executive Officer of Viad of the level of acceptable achievement relating to the other designated performance measurements.

Notwithstanding 2.a) i), ii) and iii), of this paragraph F, the ratable accrual of the net income target may be established for threshold within the range of above 90%, up to and including 95% and for maximum within the range of below 110% down to 105%, for a Company as may be designated by the Committee after considering the recommendations of the Chief Executive Officer of Viad Corp; however, the Committee may, when appropriate, adjust such ranges upward or downward.

Further, the bonus pool shall include any excess of the funding limit established pursuant to paragraph B for a Company's Executive Officer(s) over the amount of bonus pool funds otherwise provided with respect to such person(s) pursuant to 2a) and b) of this Paragraph F.

3. Bonus pool accruals not paid out shall not be carried forward to any succeeding year.

G. INDIVIDUAL BONUS AWARDS:

1. Indicated bonus awards will be equal to the product of the target bonus percentage times the weighted average percentage of bonus pool accrued as determined in paragraph F above times the individual's actual base salary earnings during the Plan Year, subject to adjustments as follows:

(a) iscretionary upwards or downward adjustment of formula bonus awards by the Committee after considering the recommendation of the Company President or Chief Executive Officer with the approval of the Chief Executive Officer of Viad Corp for those executives not affected by Section 162(m) of the Internal Revenue Code, and

(b) discretionary downward adjustment of awards by the Committee for those executive officers affected by Section 162(m) of the Internal Revenue Code, and

(c) no individual award may exceed the individual's capped target award or the funding limit with respect to Executive Officers, and the aggregate recommended bonuses may not exceed the bonus pool accrued for other than Special Achievement Awards.

2. Bonuses awarded to the participating management staff of subsidiary groups may be paid from funds accrued based upon the target bonus for such participant(s) times the weighted average performance of the Companies in the subsidiary

group, subject to adjustments as above.

IV. VIAD CORP CORPORATE STAFF:

A. FUNDING LIMIT:

A "funding limit" shall be established annually for each Corporate participant who has been designated an Executive Officer as defined under Section 16b of the Securities Exchange Act. The funding limit will be an amount determined by multiplying the actual net income from continuing operations of the Corporation (as used in the income per share calculation described herein) for the Plan Year by the percent of such income approved by the Committee for such funding limit. The executive cannot be paid a larger bonus than the funding limit provided by this clause, but may be paid less in the discretion of the Committee based on the Performance Goals set forth below and such other factors which the Committee may consider.

B. PERFORMANCE GOALS:

1. INCOME PER SHARE:

An appropriate "income per share" from continuing operations target for Viad Corp will be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval after considering historical income per share from continuing operations, Plan Year financial plan income, overall corporate objectives, and, if appropriate, other circumstances.

Income per share from continuing operations is determined before extraordinary items, effects of changes in accounting principles or a change in federal income tax rates after the target has been set. (For example, new FASB release on Earnings per share to be effective for periods after December 15, 1997, but not taken into account in setting 1997 target income per share.) Reclassification of a major business unit to discontinued operations status after targets have been set would also require adjustment because of effect on continuing operations results. While gains on disposition of a business would normally not be included in determining actual Plan Year net income or income per share, in the event of the sale of a subsidiary or major business unit, a portion of gain would be included equal to the difference between the sold unit's planned net income for the year and actual results to date of sale plus calculated interest savings on proceeds for the balance of the year, so that actual results are not penalized for selling a business.

2. OTHER PERFORMANCE MEASUREMENTS:

An appropriate number of performance measurements other than income per share will be established for Corporate, with the Chief Executive Officer of Viad to recommend to the Human Resources Committee the level of achievement against each of the measures.

The measures to be considered include, but are not limited to:

1) Reduction of investment in non-core assets
2) Cash flow growth
3) Management of 'legacy' liabilities of discontinued and/or sold businesses (primarily for legal, self-insurance, reinsurance and environmental matters)
4) Strategic positioning through effective portfolio management
5) Corporate center cost control
6) Successfully exiting the discontinued cruise business in 1997
7) Maintain or improve to mid-BBB Viad's debt ratings from each of the rating

agencies

8) Through analysis and support, identify and help correct problems in operating units

3. ESTABLISHING TARGETS:

The actual target for income per share and the other performance measurements to be used will be established by the Committee no later than 90 days after the beginning of the Plan year after receiving the recommendations of the Chief Executive Officer of Viad Corp.

C. PARTICIPANT ELIGIBILITY:

The Committee will select the Executive Officers as defined under Section 16b of the Securities Exchange Act eligible for participation no later than 90 days after the beginning of the Plan Year. Other personnel will be eligible for participation as recommended by the appropriate staff Vice President and as approved by the Chief Executive Officer of Viad Corp, limited only to those executives who occupy a position in which they can significantly affect operating results as defined by the following criteria:

a) Salary grade 25 and above; and

b) Not more than Organizational Level Four below the Chief Executive Officer.

NOTE: Individuals not qualifying under the criteria established for the Plan Year who were included in the previous year will be grandfathered (continue as qualified participants until retirement, reassignment, or termination of employment) if designated by the appropriate Vice President and approved by the Chief Executive Officer of Viad Corp.

D. TARGET BONUSES:

Target bonuses will be approved by the Committee for each Executive Officer in writing within the following parameters no later than 90 days after the beginning of the Plan Year and will be expressed as a percentage of salary. Target bonuses for other eligible personnel will be established in writing within the following parameters subject to approval by the Chief Executive Officer of Viad Corp.

Actual bonus awards will be dependent on Company performance versus the targets established. A threshold performance will be required before any bonus award is earned under the income per share goal. Awards also will be capped when stretch performance levels are achieved.

	As a Percentage of Salary		
Corporate Positions	Threshold**	Target	Cap
Chairman, President & Chief Executive Officer	30.00%	60%	102.0%
Senior Advisory Group	22.50%	45%	76.5%
Corporate Staff Officers	20.00%	40%	68.0%
Staff Directors*	17.50%	35%	59.5%
	15.00%	30%	51.0%
	12.50%	25%	42.5%
	10.00%	20%	34.0%
Staff Professionals*	7.50%	15%	25.5%
	5.00%	10%	17.0%

* Target Bonus, as determined by the Committee, is dependent upon Organization Reporting Relationships.

** Reflects minimum of achievement of both performance targets. Threshold could be less if minimum achievement

of only one performance target is met.

E. BONUS POOL TARGET:

1. The "Bonus Pool Target" will be established no later than 90 days after the beginning of the Plan year and will be adjusted to equal the sum of the target bonuses of all qualified participants based upon actual Plan Year base salaries, as outlined in paragraph C above, plus 15% for Special Achievement Awards.

2. The bonus pool will accrue ratably such that

a) on 2/3 of the sum of the target bonuses:

(i) no bonus will be earned if less than 90% of income per share target is achieved;

(ii) 50% to 100% will be earned if 90% to 100% of income per share target is achieved; and

(iii) 100% to 170% will be earned if 100% to 110% of income per share target is achieved.

b) on 1/3 of the sum of target bonuses:

(i) no bonus will be earned if achievement relating to the other designated performance measurements is considered unsatisfactory;

(ii) from 50% (threshold) to 170% will be earned as designated by the Committee after considering the recommendation of the Chief Executive Officer of Viad of the level of acceptable achievement relating to the other designated performance measures

provided no less than an amount equal to 12.5% of the actual bonus accruals earned under section III of this Plan or any Line of Business Incentive Plan established after 1984, for participants under section III herein will be earned hereunder, up to an aggregate maximum of 170% of Bonus Pool Target and transferred by the companies covered in section III, herein, to Viad Corp. For purposes of this determination only, the 178.5% upper limit shall not apply on such actual bonus accrual calculations for subsidiaries, subsidiary groups and divisions, and the calculation will exclude the excess if any, of funding limit amounts over bonus pool funds otherwise calculated under this provision.

c) Notwithstanding 2. a) i), ii) and iii) of this paragraph E, the ratable accrual of the income per share target may be established for threshold within the range of above 90% up to and including 95% and for maximum within the range of below 110% down to 105% as may be designated by the Committee; however, the Committee may, when appropriate, adjust such ranges upward or downward. Further, the bonus pool shall include any excess of the funding limit established pursuant to Paragraph B for each Corporate Executive Officer over the amount of bonus pool funds otherwise provided with respect to such persons pursuant to 2 a) and b) of this Paragraph E.

3. Bonus pool accruals not paid out shall not be carried forward to any succeeding year.

F. INDIVIDUAL BONUS AWARDS:

Indicated bonus awards will be equal to the product of the target bonus percentage times the weighted average percentage of bonus pool accrued as determined in paragraph D above times the individual's actual Plan Year base salary earnings, subject to adjustments as follows:

a) discretionary upward or downward adjustment of formula awards by the Committee after considering the recommendations of the Chief Executive Officer of Viad Corp for those executives not affected by Section 162(m) of the Internal Revenue Code.

b) discretionary downward adjustment of awards by the Committee for those Executive Officers affected by Section 162(m) of the Internal Revenue Code, and

c) no individual award may exceed the individual's capped target award or the funding limit with respect to Executive Officers and the aggregate recommended bonuses may not exceed the bonus pool for other than Special Achievement Awards.

V. SPECIAL ACHIEVEMENT AWARDS:

Special bonuses of up to 15% of base salary for exceptional performance to employees (primarily exempt employees) who are not participants in this Plan, including newly hired employees, may be recommended at the discretion of the Chief Executive Officer to the Committee from the separate funds for discretionary awards provided for under paragraphs III F and IV E.

VI. APPROVAL AND DISTRIBUTION:

The individual incentive bonus amounts and the terms of payment thereof will be fixed following the close of the Plan Year by the Committee. Any award made under this Plan is subject to the approval of this Plan by the stockholders of Viad Corp.

VII. COMPENSATION ADVISORY COMMITTEE:

The Compensation Advisory Committee is appointed by the Chief Executive Officer of Viad Corp to assist the Committee in the implementation and administration of this Plan. The Compensation Advisory Committee shall propose administrative guidelines to the Committee to govern interpretations of this Plan and to resolve ambiguities, if any, but the Compensation Advisory Committee will not have the power to terminate, alter, amend, or modify this Plan or any actions hereunder in any way at any time.

VIII. SPECIAL COMPENSATION STATUS:

All bonuses paid under this Plan shall be deemed to be special compensation and, therefore, unless otherwise provided for in another plan or agreement, will not be included in determining the earnings of the recipients for the purposes of any pension, group insurance or other plan or agreement of a Company or of Viad Corp. Participants in this Plan shall not be eligible for any contractual or other short-term (sales, productivity, etc.) incentive plan except in those cases where participation is weighted between this Plan and any such other short-term incentive plan.

IX. DEFERRALS:

Participants subject to taxation of income by the United States may submit to the Committee, prior to November 15 of the year in which the bonus is being earned a written request that all or a portion, but not less than $1,000, of their bonus awards to be determined, if any, be irrevocably deferred substantially in accordance with the terms and conditions of a deferred compensation plan approved by the Board of Directors of Viad Corp or, if applicable, one of its subsidiaries. Participants subject to taxation of income by other jurisdictions may submit to the Committee a written request that all or a portion of

their bonus awards be deferred in accordance with the terms and conditions of a plan which is adopted by the Board of Directors of a participant's Company. Upon the receipt of any such request, the Committee thereunder shall determine whether such request should be honored in whole or part and shall forthwith advise each participant of its determination on such request.

X. PLAN TERMINATION:

This plan shall continue in effect until such time as it may be canceled or otherwise terminated by action of the Board of Directors of Viad Corp and will not become effective with respect to any Company unless and until its Board of Directors adopts a specific plan for such Company. While it is contemplated that incentive awards from the Plan will be made, the Board of Directors of Viad Corp, or any other Company hereunder, may terminate, amend, alter, or modify this Plan at any time and from time to time. Participation in the Plan shall create not right to participate in any future year's Plan.

XI. EMPLOYEE RIGHTS:

No participant in this Plan shall be deemed to have a right to any part or share of this Plan. This Plan does not create for any employee or participant any right to be retained in service by any Company, nor affect the right of any such Company to discharge any employee or participant from employment. Except as provided for in administrative guidelines, a participant who is not an employee of Viad Corp or one of its subsidiaries on the date bonuses are paid will not receive a bonus payment.

XII. EFFECTIVE DATE:

The Plan shall be effective January 1, 1997, provided however, that any award made under this Plan is subject to the approval of the Viad 1997 Omnibus Incentive Plan by the stockholders of Viad Corp.

1997 VIAD CORP OMNIBUS INCENTIVE PLAN

SECTION 1. PURPOSE; DEFINITIONS.

The purpose of the Plan is to give the Company a significant advantage in attracting, retaining and motivating officers, employees and directors and to provide the Company and its subsidiaries with the ability to provide incentives more directly linked to the profitability of the Company's businesses and increases in stockholder value. It is the current intent of the Committee that the Plan shall replace the 1992 Stock Incentive Plan for purposes of new Awards and that the Viad Corp Management Incentive Plan, the Viad Corp Performance Unit Incentive Plan, and the Viad Corp Performance-Based Stock Plan continue under the auspices of Sections 7 and 8 hereof subject to the discretion of the Committee under the terms and conditions of this Plan.

For purposes of the Plan, the following terms are defined as set forth below:

(a) "AFFILIATE" means a corporation or other entity controlled by the Company and designated by the Committee as such.

(b) "AWARD" means an award of Stock Appreciation Rights, Stock Options, Restricted Stock or Performance-Based Awards.

(c) "AWARD CYCLE" will mean a period of consecutive fiscal years or portions thereof designated by the Committee over which Awards of Restricted Stock or Performance-Based Awards are to be earned.

(d) "BOARD" means the Board of Directors of the Company.

(e) "CAUSE" means (1) the conviction of a participant for committing a felony under federal law or the law of the state in which such action occurred, (2) dishonesty in the course of fulfilling a participant's employment duties or (3) willful and deliberate failure on the part of a participant to perform his employment duties in any material respect, or such other events as will be determined by the Committee. The Committee will have the sole discretion to determine whether "Cause" exists, and its determination will be final.

(f) "CHANGE IN CONTROL" and "CHANGE IN CONTROL PRICE" have the meanings set forth in Sections 9(b) and (c), respectively.

(g) "CODE" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

(h) "COMMISSION" means the Securities and Exchange Commission or any successor agency.

(i) "COMMITTEE" means the Committee referred to in Section 2.

(j) "COMMON STOCK" means common stock, par value $1.50 per share, of the Company.

(k) "COMPANY" means Viad Corp, a Delaware corporation.

(l) "COMPANY UNIT" means any subsidiary, group of subsidiaries, line of business or division of the Company, as designated by the Committee.

(m) "DISABILITY" means permanent and total disability as determined under procedures established by the Committee for purposes of the Plan.

(n) "EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

(o) "FAIR MARKET VALUE" means, as of any given date, the mean between the highest and lowest reported sales prices of the Stock on the New York Stock Exchange Composite Tape or, if not listed on such exchange, on any other national exchange on which the Stock is listed or on the Nasdaq Stock Market. If there is no regular public trading market for such Stock, the Fair Market Value of the Stock will be determined by the Committee in good faith. In connection with the administration of specific sections of the Plan, and in connection with the grant of particular Awards, the Committee may adopt alternative definitions of "Fair Market Value" as appropriate.

(p) "INCENTIVE STOCK OPTION" means any Stock Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(q) "MIP" means the Company's Management Incentive Plan providing annual cash bonus awards to participating employees based upon predetermined goals and objectives.

(r) "NET INCOME" means the consolidated net income of the Company determined in accordance with GAAP before extraordinary, unusual and other non-recurring items.

(s) "NON-EMPLOYEE DIRECTOR" means a member of the Board who qualifies as a "Non-Employee Director" as defined in Rule 16b-3(b)(3), as promulgated by the Commission under the Exchange Act, or any successor definition adopted by the Commission.

(t) "NON-QUALIFIED STOCK OPTION" means any Stock Option that is not an Incentive Stock Option.

(u) "PERFORMANCE GOALS" means the performance goals established by the Committee in connection with the grant of Restricted Stock or Performance-Based Awards. In the case of Qualified Performance-Based Awards, such goals (1) will be based on the attainment of specified levels of one or more of the following measures with respect to the Company or any Company Unit, as applicable: sales or revenues, costs or expenses, net profit after tax, gross profit, operating profit, base earnings, return on actual or pro forma equity or net assets or capital, net capital employed, earnings per share, earnings per share from continuing operations, operating income, operating income margin, net income, stockholder return including performance (total stockholder return) relative to the S&P 500 or similar index or performance (total stockholder return) relative to the proxy comparator group, in both cases as determined pursuant to Rule 402(l) of Regulation S-K promulgated under the Exchange Act, cash generation, unit volume and change in working capital and (2) will be set by the Committee within the time period prescribed by Section 162(m) of the Code and related regulations.

(v) "PERFORMANCE-BASED AWARD" means an Award made pursuant to Section 8.

(w) "PERFORMANCE-BASED RESTRICTED STOCK AWARD" has the meaning set forth in Section 7(c)(1) hereof.

(x) "PLAN" means the 1997 Viad Corp Omnibus Incentive Plan, as set forth herein and as hereinafter amended from time to time.

(y) "PREFERRED STOCK" means preferred stock, par value $0.01, of the Company.

(z) "QUALIFIED PERFORMANCE-BASED AWARDS" means an Award of Restricted Stock or a Performance-Based Award designated as such by the Committee at the time of grant, based upon a determination that (1) the recipient is or may be a "covered employee" within the meaning of Section 162(m)(3) of the Code in the year in which the Company would expect to be able to claim a tax deduction with respect to such Restricted Stock or Performance-Based Award and (2) the Committee wishes such Award to qualify for the exemption from the limitation on deductibility imposed by Section 162(m) of the Code that is set forth in Section 162(m)(4)(C).

(aa) "RESTRICTED STOCK" means an award granted under Section 7.

(bb) "RETIREMENT" means retirement from active employment under a pension plan of the Company, any subsidiary or Affiliate, or under an employment contract with any of them, or termination of employment at or after age 55 under circumstances which the Committee, in its sole discretion, deems equivalent to retirement.

(cc) "RULE 16b-3" means Rule 16b-3, as promulgated by the Commission under Section 16(b) of the Exchange Act, as amended from time to time.

(dd) "STOCK" means the Common Stock or Preferred Stock.

(ee) "STOCK APPRECIATION RIGHT" means a right granted under Section 6.

(ff) "STOCK OPTION" means an option granted under Section 5.

(gg) "TERMINATION OF EMPLOYMENT" means the termination of

the participant's employment with the Company and any subsidiary or Affiliate. A participant employed by a subsidiary or an Affiliate will also be deemed to incur a Termination of Employment if the subsidiary or Affiliate ceases to be such a subsidiary or Affiliate, as the case may be, and the participant does not immediately thereafter become an employee of the Company or another subsidiary or Affiliate. Transfers among the Company and its subsidiaries and Affiliates, as well as temporary absences from employment because of illness, vacation or leave of absence, will not be considered a Termination of Employment.

In addition, certain other terms used herein have definitions given to them in the first place in which they are used.

SECTION 2. ADMINISTRATION.

The Plan will be administered by the Human Resources Committee of the Board pursuant to authority delegated by the Board in accordance with the Company's By-Laws. If at any time there is no such Human Resources Committee or such Human Resources Committee shall fail to be composed of at least two directors each of whom is a Non-Employee Director and is an "outside director" under Section 162(m)(4) of the Code, the Plan will be administered by a Committee selected by the Board and composed of not less than two individuals, each of whom is such a Non-Employee Director and such an "outside director."

The Committee will have plenary authority to grant Awards pursuant to the terms of the Plan to officers, employees and directors of the Company and its subsidiaries and Affiliates, but the Committee may not grant MIP Awards larger than the limits provided in Section 3.

Among other things, the Committee will have the authority, subject to the terms of the Plan:

(a) to select the officers, employees and directors to whom Awards may from time to time be granted;

(b) to determine whether and to what extent Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock and Performance-Based Awards or any combination thereof are to be granted hereunder;

(c) to determine the number of shares of Stock or the amount of cash to be covered by each Award granted hereunder;

(d) to determine the terms and conditions of any Award granted hereunder (including, but not limited to, the option price (subject to Section 5(a)), any vesting condition, restriction or limitation (which may be related to the performance of the participant, the Company or any subsidiary, Affiliate or Company Unit) and any rule vesting acceleration or waiver of forfeiture regarding any Award and any shares of Stock relating thereto, based on such factors as the Committee will determine) provided, however, that the Committee will have no power to accelerate the vesting, or waive the forfeiture, of any Qualified Performance-Based Awards;

(e) to modify, amend or adjust the terms and conditions, at any time or from time to time, of any Award, including but not limited to Performance Goals; provided, however, that the Committee may not adjust upwards the amount payable with respect to any Qualified Performance-Based Award or waive or alter the Performance Goals associated therewith;

(f) to determine to what extent and under what circumstances Stock and other amounts payable with respect to an Award will be deferred; and

(g) to determine under what circumstances a Stock Option may be settled in cash or Stock under Section 5(j).

The Committee will have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it from time to time deems advisable, to interpret the terms and provisions of the Plan and any Award issued under the Plan (and any agreement relating thereto) and to otherwise supervise the administration of the Plan.

The Committee may act only by a majority of its members then in office, except that the members thereof may (1) delegate to designated officers or employees of the Company such of its powers and authorities under the Plan as it deems appropriate (provided that no such delegation may be made that would cause

Awards or other transactions under the Plan to fail to be exempt from Section 16(b) of the Exchange Act or that would cause Qualified Performance-Based Awards to cease to so qualify) and (2) authorize any one or more members or any designated officer or employee of the Company to execute and deliver documents on behalf of the Committee.

Any determination made by the Committee or pursuant to delegated authority pursuant to the provisions of the Plan with respect to any Award will be made in the sole discretion of the Committee or such delegates at the time of the grant of the Award or, unless in contravention of any express term of the Plan, at any time thereafter. All decisions made by the Committee or any appropriately delegated officer(s) or employee(s) pursuant to the provision of the Plan will be final and binding on all persons, including the Company and Plan participants.

SECTION 3. STOCK SUBJECT TO PLAN AND LIMITS ON AWARDS.

(a) Subject to adjustment as provided herein, the number of shares of Common Stock of the Company available for grant under the Plan in each calendar year (including partial calendar years) during which the Plan is in effect shall be equal to two percent (2.0%) of the total number of shares of Common Stock of the Company outstanding as of the first day of each such year for which the Plan is in effect; provided that any shares available for grant in a particular calendar year (or partial calendar year) which are not, in fact, granted in such year shall be added to the shares available for grant in any subsequent calendar year.

(b) Subject to adjustment as provided herein, the number of shares of Stock covered by Awards granted to any one participant will not exceed 750,000 shares for any consecutive three-year period and the aggregate dollar amount for Awards denominated solely in cash will not exceed $7.5 million for any such period.

(c) In addition, and subject to adjustment as provided herein, no more than 7.5 million shares of Common Stock will be cumulatively available for the grant of Incentive Stock Options over the life of the Plan.

(d) Shares subject to an option or award under the Plan may be authorized and unissued shares or may be "treasury shares." In the event of any merger, reorganization, consolidation, recapitalization, spin-off, stock dividend, stock split, extraordinary distribution with respect to the Stock or other change in corporate structure affecting the Stock, such substitution or adjustments will be made in the aggregate number and kind of shares reserved for issuance under the Plan, in the aggregate limit on grants to individuals, in the number, kind, and option price of shares subject to outstanding Stock Options and Stock Appreciation Rights, in the number and kind of shares subject to other outstanding Awards granted under the Plan and/or such other equitable substitutions or adjustments as may be determined to be appropriate by the Committee or the Board, in its sole discretion; provided, however, that the number of shares subject to any Award will always be a whole number.

(e) Awards under the MIP may not exceed in the case of (i) the Company's Chief Executive Officer, one and one-half percent (1.5%) of net income as defined; (ii) a president of any of the Company's operating companies, whether or not incorporated, six-tenths of one percent (0.6%) of net income as defined; and (iii) all other executive officers of the Company, one-half of one percent (0.5%) of net income as defined.

SECTION 4. ELIGIBILITY.

Officers, employees and directors of the Company, its subsidiaries and Affiliates who are responsible for or contribute to the management, growth and profitability of the business of the Company, its subsidiaries and Affiliates are eligible to be granted Awards under the Plan.

SECTION 5. STOCK OPTIONS.

Stock Options may be granted alone or in addition to other Awards granted under the Plan and may be of two types: Incentive Stock Options and Non-Qualified Stock Options. Any Stock Option granted under the Plan will be in such form as the Committee may from time to time approve.

The Committee will have the authority to grant any optionee Incentive Stock Options, Non-Qualified Stock Options or both types of Stock Options (in each case with or without Stock

Appreciation Rights). Incentive Stock Options may be granted only to employees of the Company and its subsidiaries (within the meaning of Section 424(f) of the Code). To the extent that any Stock Option is not designated as an Incentive Stock Option or even if so designated does not qualify as an Incentive Stock Option, it will be deemed to be a Non-Qualified Stock Option.

Stock Options will be evidenced by option agreements, the terms and provisions of which may differ. An option agreement will indicate on its face whether it is an agreement for an Incentive Stock Option or a Non-Qualified Stock Option. The grant of a Stock Option will occur on the date the Committee by resolution selects an individual to be a participant in any grant of a Stock Option, determines the number of shares of Stock to be subject to such Stock Option to be granted to such individual and specifies the terms and provisions of the Stock Option. The Company will notify a participant of any grant of a Stock Option, and a written option agreement or agreements will be duly executed and delivered by the Company to the participant.

Anything in the Plan to the contrary notwithstanding, no term of the Plan relating to Incentive Stock Options will be interpreted, amended or altered nor will any discretion or authority granted under the Plan be exercised so as to disqualify the Plan under Section 422 of the Code or, without the consent of the optionee affected, to disqualify any Incentive Stock Option under such Section 422.

Stock Options granted under the Plan will be subject to the following terms and conditions and will contain such additional terms and conditions as the Committee will deem desirable:

(a) OPTION PRICE. The option price per share of Stock purchasable under a Stock Option will be determined by the Committee and set forth in the option agreement, and will not be less than the Fair Market Value of the Stock subject to the Stock Option on the date of grant.

(b) OPTION TERM. The term of each Stock Option will be fixed by the Committee, but no Incentive Stock Option may be exercisable more than 10 years after the date the Incentive Stock Option is granted.

(c) EXERCISABILITY. Except as otherwise provided herein, Stock Options will be exercisable at such time or times and subject to such terms and conditions as will be determined by the Committee. If the Committee provides that any Stock Option is exercisable only in installments, the Committee may at any time waive such installment exercise provisions, in whole or in part, based on such factors as the Committee may determine. In addition, the Committee may at any time accelerate the exercisability of any Stock Option.

(d) METHOD OF EXERCISE. Subject to the provisions of this Section 5, Stock Options may be exercised, in whole or in part, at any time during the option term by giving written notice of exercise to the Company specifying the number of shares of Stock subject to the Stock Option to be purchased.

Such notice must be accompanied by payment in full of the purchase price by certified or bank check or such other instrument as the Company may accept. An option agreement may provide that, if approved by the Committee, payment in full or in part may also be made in the form of unrestricted Stock already owned by the optionee of the same class as the Stock subject to the Stock Option and, in the case of the exercise of a Non-Qualified Stock Option, Restricted Stock subject to an Award hereunder which is of the same class as the Stock subject to the Stock Option (in both cases based on the Fair Market Value of the Stock on the date the Stock Option is exercised); provided, however, that, in the case of an Incentive Stock Option, the right to make a payment in the form of already owned shares of Stock of the same class as the Stock subject to the Stock Option may be authorized only at the time the Stock Option is granted. In addition, an option agreement may provide that in the discretion of the Committee, payment for any shares subject to a Stock Option may also be made by instruction to the Committee to withhold a number of such shares having a Fair Market Value on the date of exercise equal to the aggregate exercise price of such Stock Option.

If payment of the option exercise price of a Non-Qualified Stock Option is made in whole or in part in the form of Restricted Stock, the number of shares of Stock to be received upon such exercise equal to the number of shares of Restricted Stock used for payment of the option exercise price will be

subject to the same forfeiture restrictions to which such Restricted Stock was subject, unless otherwise determined by the Committee.

No shares of Stock will be issued until full payment therefor has been made. Subject to any forfeiture restrictions that may apply if a Stock Option is exercised using Restricted Stock, an optionee will have all of the rights of a stockholder of the Company holding the class or series of Stock that is subject to such Stock Option (including, if applicable, the right to vote the shares and the right to receive dividends), when the optionee has given written notice of exercise, has paid in full for such shares and, if requested, has given the representation described in Section 12(a).

(e) NONTRANSFERABILITY OF STOCK OPTIONS. (1) No Stock Option will be transferable by the optionee other than (A) by will or by the laws of descent and distribution or (B) in the case of a Non-Qualified Stock Option, pursuant to a qualified domestic relations order (as defined in the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder). All Stock Options will be exercisable, during the optionee's lifetime, only by the optionee or by the guardian or legal representative of the optionee, it being understood that the terms "holder" and "optionee" include the guardian and legal representative of the optionee named in the option agreement and any person to whom a Stock Option is transferred by will or the laws of descent and distribution or pursuant to a qualified domestic relations order.

(2) Notwithstanding Section 5(e)(1) above, the Committee may grant Stock Options that are transferable, or amend outstanding Stock Options to make them transferable, by the optionee (any such Stock Option so granted or amended a "Transferable Option") to one or more members of the optionee's immediate family, to partnerships of which the only partners are members of the optionee's immediate family, or to trusts established by the optionee for the benefit of one or more members of the optionee's immediate family. For this purpose the term "immediate family" means the optionee's spouse, children or grandchildren. Consideration may not be paid for the transfer of a Transferable Option. A transferee described in this Section 5(e)(2) shall be subject to all terms and conditions applicable to the Transferable Option prior to its transfer. The option agreement with respect to a Transferable Option shall set forth its transfer restrictions, such option agreement shall be approved by the Committee, and only Stock Options granted pursuant to a stock option agreement expressly permitting transfer pursuant to this Section 5(e)(2) shall be so transferable.

(f) TERMINATION BY DEATH. If an optionee's employment terminates by reason of death, any Stock Option held by such optionee may thereafter be exercised, to the extent then exercisable, or on such accelerated basis as the Committee may determine, for a period of one year (or such other period as the Committee may specify in the option agreement) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(g) TERMINATION BY REASON OF DISABILITY. If an optionee's employment terminates by reason of Disability, any Stock Option held by such optionee may thereafter be exercised by the optionee, to the extent it was exercisable at the time of termination, or on such accelerated basis as the Committee may determine, for a period of three years (or such shorter period as the Committee may specify in the option agreement) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter; provided, however, that if the optionee dies within such three-year period (or such shorter period), any unexercised Stock Option held by such optionee will, notwithstanding the expiration of such three-year (or such shorter) period, continue to be exercisable to the extent to which it was exercisable at the time of death for a period of 12 months from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter. In the event of termination of employment by reason of Disability, if an Incentive Stock Option is exercised after the expiration of the exercise periods that apply for purposes of Section 422 of the Code, such Stock Option will thereafter be treated as a Non-Qualified Stock Option.

(h) TERMINATION BY REASON OF RETIREMENT. If an optionee's employment terminates by reason of Retirement, any Stock Option held by such optionee may thereafter be exercised by the optionee, to the extent it was exercisable at the time of termination, or on such accelerated basis as the Committee may

determine, for a period of five years (or such shorter period as the Committee may specify in the option agreement) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter; provided, however, that if the optionee dies within such five-year period (or such shorter period), any unexercised Stock Option held by such optionee will, notwithstanding the expiration of such five-year (or such shorter) period, continue to be exercisable to the extent to which it was exercisable at the time of death for a period of 12 months from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter. In the event of termination of employment by reason of Retirement, if an Incentive Stock Option is exercised after the expiration of the exercise periods that apply for purposes of Section 422 of the Code, such Stock Option will thereafter be treated as a Non-Qualified Stock Option.

(i) OTHER TERMINATION. Unless otherwise determined by the Committee, if an optionee incurs a Termination of Employment for any reason other than death, Disability or Retirement or Cause, any Stock Option held by such optionee will thereupon terminate, except that such Stock Option, to the extent then exercisable, or on such accelerated basis as the Committee may determine, may be exercised for the lesser of three months from the date of such Termination of Employment or the balance of such Stock Option's term; provided, however, that if the optionee dies within such three-month period, any unexercised Stock Option held by such optionee will, notwithstanding the expiration of such three-month period, continue to be exercisable to the extent to which it was exercisable at the time of death for a period of 12 months from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter. In the event of Termination of Employment, if an Incentive Stock Option is exercised after the expiration of the exercise periods that apply for purposes of Section 422 of the Code, such Stock Option will thereafter be treated as a Non-Qualified Stock Option.

(j) CASHING OUT OF STOCK OPTION. On receipt of written notice of exercise, the Committee may elect to cash out all or part of the shares of Stock for which a Stock Option is being exercised by paying the optionee an amount, in cash or Stock, equal to the excess of the Fair Market Value of the Stock over the option price times the number of shares of Stock for which the Option is being exercised on the effective date of such cash-out.

(k) CHANGE IN CONTROL CASH-OUT. Subject to Section 12(h), but notwithstanding any other provision of the Plan, during the 60-day period from and after a Change in Control (the "Exercise Period"), unless the Committee determines otherwise at the time of grant, an optionee will have the right, whether or not the Stock Option is fully exercisable and in lieu of the payment of the exercise price for the shares of Stock being purchased under the Stock Option and by giving notice to the Company, to elect (within the Exercise Period) to surrender all or part of the Stock Option to the Company and to receive cash, within 30 days of such notice, in an amount equal to the amount by which the Change in Control Price per share of Stock on the date of such election will exceed the exercise price per share of Stock under the Stock Option (the "Spread") multiplied by the number of shares of Stock granted under the Stock Option as to which the right granted under this Section 5(k) will have been exercised.

SECTION 6. STOCK APPRECIATION RIGHTS.

(a) GRANT AND EXERCISE. Stock Appreciation Rights may be granted in conjunction with all or part of any Stock Option granted under the Plan. In the case of a Non-Qualified Stock Option, such rights may be granted either at or after the time of grant of such Stock Option. In the case of an Incentive Stock Option, such rights may be granted only at the time of grant of such Stock Option. A Stock Appreciation Right will terminate and no longer be exercisable upon the termination or exercise of the related Stock Option.

A Stock Appreciation Right may be exercised by an optionee in accordance with Section 6(b) by surrendering the applicable portion of the related Stock Option in accordance with procedures established by the Committee. Upon such exercise and surrender, the optionee will be entitled to receive an amount determined in the manner prescribed in Section 6(b). Stock Options which have been so surrendered will no longer be exercisable to the extent the related Stock Appreciation Rights have been exercised.

(b) TERMS AND CONDITIONS. Stock Appreciation Rights will be subject to such terms and conditions as will be determined by

the Committee, including the following:

(1) Stock Appreciation Rights will be exercisable only at such time or times and to the extent that the Stock Options to which they relate are exercisable in accordance with the provisions of Section 5 and this Section 6;

(2) Upon the exercise of a Stock Appreciation Right, an optionee will be entitled to receive an amount in cash, shares of Stock or both equal in value to the excess of the Fair Market Value of one share of Stock as of the date of exercise over the option price per share specified in the related Stock Option multiplied by the number of shares in respect of which the Stock Appreciation Right has been exercised, with the Committee having the right to determine the form of payment;

(3) Stock Appreciation Rights will be transferable only to permitted transferees of the underlying Stock Option in accordance with Section 5(e).

SECTION 7. RESTRICTED STOCK.

(a) ADMINISTRATION. Shares of Restricted Stock may be awarded either alone or in addition to other Awards granted under the Plan. The Committee will determine the individuals to whom and the time or times at which grants of Restricted Stock will be awarded, the number of shares to be awarded to any participant, the conditions for vesting, the time or times within which such Awards may be subject to forfeiture and any other terms and conditions of the Awards, in addition to those contained in Section 7(c).

(b) AWARDS AND CERTIFICATES. Shares of Restricted Stock will be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of one or more stock certificates. Except as otherwise set forth in a Restricted Stock Agreement, any certificate issued in respect of shares of Restricted Stock will be registered in the name of such participant and will bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form:

"The transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the 1997 Incentive Plan and a Restricted Stock Agreement. Copies of such Plan and Agreement are on file at the offices of Viad Corp, Viad Tower, Phoenix, Arizona."

The Committee may require that the certificates evidencing such shares be held in custody by the Company until the restrictions thereon have lapsed and that, as a condition of any Award of Restricted Stock, the participant has delivered a stock power, endorsed in blank, relating to the Stock covered by such Award.

(c) TERMS AND CONDITIONS. Shares of Restricted Stock will be subject to the following terms and conditions:

(1) The Committee may, prior to or at the time of grant, designate an Award of Restricted Stock as a Qualified Performance-Based Award, in which event it will condition the grant or vesting, as applicable, of such Restricted Stock upon the attainment of Performance Goals. If the Committee does not designate an Award of Restricted Stock as a Qualified Performance-Based Award, it may also condition the grant or vesting thereof upon the attainment of Performance Goals or such other performance-based criteria as the Committee shall establish (such an Award, a "Performance-Based Restricted Stock Award"). Regardless of whether an Award of Restricted Stock is a Qualified Performance-Based Award or a Performance-Based Restricted Stock Award, the Committee may also condition the grant or vesting upon the continued service of the participant. The provisions of Restricted Stock Awards (including the conditions for grant or vesting and any applicable Performance Goals) need not be the same with respect to each recipient. The Committee may at any time, in its sole discretion, accelerate or waive, in whole or in part, any of the foregoing restrictions; provided, however, that in the case of Restricted Stock that is a Qualified Performance-Based Award, the applicable Performance Goals have been satisfied.

(2) Subject to the provisions of the Plan and the Restricted Stock Agreement referred to in Section 7(c)(8),

during the period set by the Committee, commencing with the date of such Award for which such participant's continued service is required (the "Restriction Period") and until the later of (A) the expiration of the Restriction Period and (B) the date the applicable Performance Goals (if any) are satisfied, the participant will not be permitted to sell, assign, transfer, pledge or otherwise encumber shares of Restricted Stock.

(3) Except as provided in this paragraph (3) and Sections 7(c)(1) and (2) and the Restricted Stock Agreement, the participant will have, with respect to the shares of Restricted Stock, all of the rights of a stockholder of the Company holding the class or series of Stock that is the subject of the Restricted Stock, including, if applicable, the right to vote the shares and the right to receive any dividends. If so determined by the Committee in the applicable Restricted Stock Agreement and subject to Section 12(f) of the Plan, (A) dividends consisting of cash, stock or other property (other than Stock) on the class or series of Stock that is the subject of the Restricted Stock shall be automatically deferred and reinvested in additional Restricted Stock (in the case of stock or other property, based on the fair market value thereof, and the Fair Market Value of the Stock, in each case as of the record date for the dividend) held subject to the vesting of the underlying Restricted Stock, or held subject to meeting any Performance Goals applicable to the underlying Restricted Stock, and (B) dividends payable in Stock shall be paid in the form of Restricted Stock of the same class as the Stock with which such dividend was paid and shall be held subject to the vesting of the underlying Restricted Stock, or held subject to meeting any Performance Goals applicable to the underlying Restricted Stock.

(4) Except to the extent otherwise provided in the applicable Restricted Stock Agreement, Section 7(c)(1), 7(c)(2), 7(c)(5) or 9(a)(2), upon a participant's Termination of Employment for any reason during the Restriction Period or before any applicable Performance Goals are met, all shares still subject to restriction will be forfeited by the participant.

(5) Except to the extent otherwise provided in Section 9(a)(2), in the event that a participant retires or such participant's employment is involuntarily terminated (other than for Cause), the Committee will have the discretion to waive in whole or in part any or all remaining restrictions (other than, in the case of Restricted Stock which is a Qualified Performance-Based Award, satisfaction of the applicable Performance Goals unless the participant's employment is terminated by reason of death or Disability) with respect to any or all of such participant's shares of Restricted Stock.

(6) Except as otherwise provided herein or as required by law, if and when any applicable Performance Goals are satisfied and the Restriction Period expires without a prior forfeiture of the Restricted Stock, unlegended certificates for such shares will be delivered to the participant upon surrender of legended certificates.

(7) Awards of Restricted Stock, the vesting of which is not conditioned upon the attainment of Performance Goals or other performance-based criteria, is limited to twenty percent (20%) of the number of shares of Common Stock of the Corporation available for grant under the Plan in each calendar year.

(8) Each Award will be confirmed by, and be subject to the terms of, a Restricted Stock Agreement.

SECTION 8. PERFORMANCE-BASED AWARDS.

(a) ADMINISTRATION. Performance-Based Awards may be awarded either alone or in addition to other Awards granted under the Plan. Subject to the terms and conditions of the Plan, the Committee shall determine the officers and employees to whom and the time or times at which Performance-Based Awards will be awarded, the number or amount of Performance-Based Awards to be awarded to any participant, whether such Performance-Based Award shall be denominated in a number of shares of Stock, an amount of cash, or some combination thereof, the duration of the Award Cycle and any other terms and conditions of the Award, in addition to those contained in Section 8(b).

(b) TERMS AND CONDITIONS. Performance-Based Awards will be subject to the following terms and conditions:

(1) The Committee may, prior to or at the time of the grant, designate Performance-Based Awards as Qualified Performance-Based Awards, in which event it will condition the settlement thereof upon the attainment of Performance Goals. If the Committee does not designate Performance-Based Awards as Qualified Performance-Based Awards, it may also condition the settlement thereof upon the attainment of Performance Goals or such other performance-based criteria as the Committee shall establish. Regardless of whether Performance-Based Awards are Qualified Performance-Based Awards, the Committee may also condition the settlement thereof upon the continued service of the participant. The provisions of such Performance-Based Awards (including without limitation any applicable Performance Goals) need not be the same with respect to each recipient. Subject to the provisions of the Plan and the Performance-Based Award Agreement referred to in Section 8(b)(5), Performance-Based Awards may not be sold, assigned, transferred, pledged or otherwise encumbered during the Award Cycle.

(2) Unless otherwise provided by the Committee (A) from time to time pursuant to the administration of particular Award programs under this Section 8, such as the Viad Corp Management Incentive Plan, the Viad Corp Performance Unit Incentive Plan or the Viad Corp Performance-Based Stock Plan or (B) in any agreement relating to an Award, and except as provided in Section 8(b)(3), upon a participant's Termination of Employment for any reason prior to the payment of an Award under this Section 8, all rights to receive cash or Stock in settlement of the Award shall be forfeited by the participant.

(3) In the event that a participant's employment is terminated (other than for Cause), or in the event a participant retires, the Committee shall have the discretion to waive, in whole or in part, any or all remaining payment limitations (other than, in the case of Awards that are Qualified Performance-Based Awards, satisfaction of the applicable Performance Goals unless the participant's employment is terminated by reason of death or Disability) with respect to any or all of such participant's Awards.

(4) At the expiration of the Award Cycle, the Committee will evaluate the Company's performance in light of any Performance Goals for such Award, and will determine the extent to which a Performance-Based Award granted to the participant has been earned, and the Committee will then cause to be delivered to the participant, as specified in the grant of such Award: (A) a number of shares of Stock equal to the number of shares determined by the Committee to have been earned or (B) cash equal to the amount determined by the Committee to have been earned or (C) a combination of shares of Stock and cash if so specified in the Award.

(5) No Performance-Based Award may be assigned, transferred, or otherwise encumbered except, in the event of the death of a participant, by will or the laws of descent and distribution.

(6) Each Award will be confirmed by, and be subject to, the terms of a Performance-Based Award Agreement.

SECTION 9. CHANGE IN CONTROL PROVISIONS.

(a) IMPACT OF EVENT. Notwithstanding any other provision of the Plan to the contrary, in the event of a Change in Control:

(1) Any Stock Options and Stock Appreciation Rights outstanding as of the date such Change in Control is determined to have occurred and not then exercisable and vested will become fully exercisable and vested to the full extent of the original grant;

(2) The restrictions and conditions to vesting applicable to any Restricted Stock will lapse, and such Restricted Stock will become free of all restrictions and become fully vested and transferable to the full extent of the original grant;

(3) Performance-Based Awards will be considered to be earned and payable to the extent, if any, and in an amount, if any, and otherwise, in accordance with the provisions of the agreement relating to such Awards.

(b) DEFINITION OF CHANGE IN CONTROL. For purposes of the Plan, a "Change in Control" will mean the happening of any of the following events:

(1) An acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of either (A) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (i) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (3) of this Section 9(b); or

(2) A change in the composition of the Board such that the individuals who, as of February 20, 1997, constitute the Board (such Board will be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this Section 9(b), that any individual who becomes a member of the Board subsequent to February 20, 1997, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) will be considered as though such individual were a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board will not be so considered as a member of the Incumbent Board; or

(3) The approval by the stockholders of the Company of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company ("Corporate Transaction") (or, if consummation of such Corporate Transaction is subject, at the time of such approval by stockholders, to the consent of any government or governmental agency, the earlier of the obtaining of such consent or the consummation of the Corporate Transaction); excluding, however, such a Corporate Transaction pursuant to which (A) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) will beneficially own, directly or indirectly, twenty percent (20%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Corporate Transaction and (C) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(4) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(c) CHANGE IN CONTROL PRICE. For purposes of the Plan, "Change in Control Price" means the higher of (1) the highest reported sales price, regular way, of a share of Stock in any transaction reported on the New York Stock Exchange Composite Tape or other national exchange on which such shares are listed or on The Nasdaq Stock Market during the 60-day period prior to and including the date of a Change in Control or (2) if the Change in Control is the result of a tender or exchange offer or a Corporate Transaction, the highest price per share of Stock paid in such tender or exchange offer or Corporate Transaction; provided, however, that in the case of Incentive Stock Options and Stock Appreciation Rights relating to Incentive Stock Options, the Change in Control Price will be in all cases the Fair Market Value of the Stock on the date such Incentive Stock Option or Stock Appreciation Right is exercised. To the extent that the consideration paid in any such transaction described above consists all or in part of securities or other non-cash consideration, the value of such securities or other non-cash consideration will be determined in the sole discretion of the Board.

SECTION 10. TERM, AMENDMENT AND TERMINATION.

The Plan will terminate May 31, 2007, but may be terminated sooner at any time by the Board, provided that no Incentive Stock Options shall be granted under the Plan after February 19, 2007. Awards outstanding as of the date of any such termination will not be affected or impaired by the termination of the Plan.

The Board may amend, alter, or discontinue the Plan, but no amendment, alteration or discontinuation will be made which would (a) impair the rights of an optionee under a Stock Option or a recipient of a Stock Appreciation Right, Restricted Stock Award or Performance-Based Award theretofore granted without the optionee's or recipient's consent, except such an amendment which is necessary to cause any Award or transaction under the Plan to qualify, or to continue to qualify, for the exemption provided by Rule 16b-3, or (b) disqualify any Award or transaction under the Plan from the exemption provided by Rule 16b-3. In addition, no such amendment may be made without the approval of the Company's stockholders to the extent such approval is required by law or agreement.

The Committee may amend the terms of any Stock Option or other Award theretofore granted, prospectively or retroactively, but no such amendment will (1) impair the rights of any holder without the holder's consent except such an amendment which is necessary to cause any Award or transaction under the Plan to qualify, or to continue to qualify, for the exemption provided by Rule 16b-3 or (2) amend any Qualified Performance-Based Award in such a way as to cause it to cease to qualify for the exemption set forth in Section 162(m)(4)(C). The Committee may also substitute new Stock Options for previously granted Stock Options, including previously granted Stock Options having higher option prices.

Subject to the above provisions, the Board will have authority to amend the Plan to take into account changes in law and tax and accounting rules, as well as other developments and to grant Awards which qualify for beneficial treatment under such rules without stockholder approval.

SECTION 11. UNFUNDED STATUS OF PLAN.

It is presently intended that the Plan constitute an "unfunded" plan for incentive and deferred compensation. The Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Stock or make payments; provided, however, that, unless the Committee otherwise determines, the existence of such trusts or other arrangements is consistent with the "unfunded" status of the Plan.

SECTION 12. GENERAL PROVISIONS.

(a) The Committee may require each person purchasing or receiving shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring any shares without a view to the distribution thereof. The certificates for such shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer.

All certificates for shares of Stock or other securities delivered under the Plan will be subject to such stock transfer

orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Commission, any stock exchange upon which the Stock is then listed and any applicable federal or state securities law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

Notwithstanding any other provision of the Plan or agreements made pursuant thereto, the Company shall not be required to issue or deliver any certificate or certificates for shares of Stock under the Plan prior to fulfillment of all of the following conditions:

(1) Listing or approval for listing upon notice of issuance, of such shares on the New York Stock Exchange, Inc., or such other securities exchange as may at the time be the principal market for the Stock;

(2) Any registration or other qualification of such shares of the Company under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification which the Committee shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable; and

(3) Obtaining any other consent, approval, or permit from any state or federal governmental agency which the Committee shall, in its absolute discretion after receiving the advice of counsel, determine to be necessary or advisable.

(b) Nothing contained in the Plan will prevent the Company or any subsidiary or Affiliate from adopting other or additional compensation arrangements for its employees.

(c) The adoption of the Plan will not confer upon any employee any right to continued employment nor will it interfere in any way with the right of the Company or any subsidiary or Affiliate to terminate the employment of any employee at any time.

(d) No later than the date as of which an amount first becomes includible in the gross income of the participant for Federal income tax purposes with respect to any Award under the Plan, the participant will pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount. Unless otherwise determined by the Company, withholding obligations may be settled with Stock, including Stock that is part of the Award that gives rise to the withholding requirement. The obligations of the Company under the Plan will be conditional on such payment or arrangements, and the Company and its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the participant. The Committee may establish such procedures as it deems appropriate, including the making of irrevocable elections, for the settlement of withholding obligations with Stock.

(e) At the time of grant, the Committee may provide in connection with any grant made under the Plan that the shares of Stock received as a result of such grant will be subject to a right of first refusal pursuant to which the participant will be required to offer to the Company any shares that the participant wishes to sell at the then Fair Market Value of the Stock, subject to such other terms and conditions as the Committee may specify at the time of grant.

(f) The reinvestment of dividends in additional Restricted Stock at the time of any dividend payment will only be permissible if sufficient shares of Stock are available under Section 3 for such reinvestment (taking into account then outstanding Stock Options and other Awards).

(g) The Committee will establish such procedures as it deems appropriate for a participant to designate a beneficiary to whom any amounts payable in the event of the participant's death are to be paid or by whom any rights of the participant, after the participant's death, may be exercised.

(h) Notwithstanding any other provision of the Plan or any agreement relating to any Award hereunder, if any right granted pursuant to this Plan would make a Change in Control transaction ineligible for pooling-of-interests-accounting under APB No. 16 that, but for the nature of such grant, would otherwise be eligible for such accounting treatment, the Committee will have

the ability, in its sole discretion, to substitute for the cash payable pursuant to such grant Common Stock with a Fair Market Value equal to the cash that would otherwise be payable hereunder.

(i) The Plan and all Awards made and actions taken thereunder will be governed by and construed in accordance with the laws of the State of Delaware.

SECTION 13. EFFECTIVE DATE OF PLAN.

The Plan will be effective on the later of (a) the time it is approved by the Board and (b) the time certain provisions of the Plan are approved by stockholders for tax purposes.

SECTION 14. DIRECTOR STOCK OPTIONS.

(a) Each director of the Company who is not otherwise an employee of the Company or any of its subsidiaries or Affiliates, will (1) on the date of his or her first election as a director of the Company (such initial grant being an "Initial Grant"), and (2) annually on the third Thursday of August, during such director's term (the "Annual Grant"), automatically be granted Non-Qualified Stock Options to purchase Common Stock having an exercise price per share of Common Stock equal to 100% of Fair Market Value per share of Common Stock at the date of grant of such Non-Qualified Stock Option. The number of shares subject to each such Initial Grant, and each such Annual Grant, will be equal to the annual retainer fee in effect at the date of grant for non-employee directors of the Company divided by an amount equal to one-third (1/3) of the Fair Market Value of the Common Stock at the date of grant, rounded to the nearest 100 shares. A non-employee director who is first elected as a director of the Company during the course of a year (i.e., on a date other than the date of the Annual Grant) will, in addition to the Initial Grant, receive upon election a grant of Non-Qualified Stock Options prorated to reflect the number of months served in the initial year of service, with the number of shares of Common Stock subject to such Stock Option being equal to (1) the number of shares subject to the Initial Grant multiplied by (2) a fraction the numerator of which will be the number of months from the date of such election through the date of the next Annual Grant and the denominator of which will be twelve (12).

(b) An automatic director Stock Option will be granted hereunder only if as of each date of grant the director (1) is not otherwise an employee of the Company or any of its subsidiaries or Affiliates, (2) has not been an employee of the Company or any of its subsidiaries or Affiliates for any part of the preceding fiscal year, and (3) has served on the Board continuously since the commencement of his term.

(c) Except as expressly provided in this Section 14, any Stock Option granted hereunder will be subject to the terms and conditions of the Plan as if the grant were made pursuant to Section 5 hereof including, without limitation, the rights set forth in Section 5(j) hereof.

VIAD CORP

PERFORMANCE UNIT INCENTIVE PLAN

PURSUANT TO THE VIAD 1997 OMNIBUS INCENTIVE PLAN

1. PURPOSE

The purpose of the Plan is to promote the long-term interests of the Corporation and its shareholders by providing a means for attracting and retaining designated key executives of the Corporation and its Affiliates through a system of cash rewards for the accomplishment of long-term predefined objectives.

2. DEFINITIONS

The following definitions are applicable to the Plan:

"Affiliate" - Any "Parent Corporation" or "Subsidiary Corporation" of the Corporation as such terms are defined in Section 425(e) and (f), or the successor provisions, if any, respectively, of the Code (as defined herein).

"Award" - The grant by the Committee of a Performance Unit or Units as provided in the Plan.

"Board" - The Board of Directors of Viad Corp.

"Code" - The Internal Revenue Code of 1986, as amended, or its successor general income tax law of the United States.

"Committee" - The Human Resources Committee of the Board.

"Corporation" - Viad Corp.

"Participant" - Any executive of the Corporation or any of its Affiliates who is selected by the Committee to receive an Award.

"Performance Period" - The period of time selected by the Committee for the purpose of determining performance goals and measuring the degree of accomplishment. Generally, the Performance Period will be a period of three successive fiscal years of the Corporation.

"Performance Unit Award" - An Award.

"Plan" - The Performance Unit Incentive Plan of the Corporation.

"Unit" - The basis for any Award under the Plan.

3. ADMINISTRATION

The Plan shall be administered by the Committee. Except as limited by the express provisions of the Plan, the Committee shall have sole and complete authority and discretion to (i) select Participants and grant Awards; (ii) determine the number of Units to be subject to Awards generally, as well as to individual Awards granted under the Plan; iii) determine the targets that must be achieved in order for the Awards to be payable and the other terms and conditions upon which Awards shall be granted under the Plan; (iv) prescribe the form and terms of instruments evidencing such grants; and (v) establish from time to time regulations for the administration of the Plan, interpret the Plan, and make all determinations deemed necessary or advisable for the administration of the Plan.

4. PERFORMANCE GOALS

The Performance Unit Incentive Plan is intended to provide Participants with a substantial incentive to achieve or surpass two pre-defined long-range financial goals which have been selected because they are key factors (goals) in increasing shareholder value. The first goal for CORPORATE and TRAVELERS EXPRESS COMPANY Participants is Average Three-Year Return on Equity and for other Subsidiary Participants

is Average Three-Year Return on Capital (Assets). A minimum (threshold) Return on Capital (Assets) or Return on Equity target will be established and must be met or exceeded before the Net Income Growth target can produce earned awards. Further, there cannot be a year when a Subsidiary's net income is down from the prior year or the threshold will not be met.

The second goal for each SUBSIDIARY Participant principally emphasizes growth in Average Three-Year Net Income.

The second goal for Corporate Participants also emphasizes Growth in Average Three-Year Net Income but the target will be based on income per share from continuing operations, the most appropriate measure in increasing shareholder value.

5. DETERMINATION OF TARGETS

A. AVERAGE THREE-YEAR SUBSIDIARY RETURN ON CAPITAL (ASSETS) (EXCEPT TRAVELERS EXPRESS)

Return on Capital (Assets) calculations will be made by dividing each year's net income after taxes by the average quarterly (beginning of year and each quarter-end, including year-end), total assets. Consideration will be given to any known or anticipated changes, and an appropriate weighted average annual Return on Capital (Assets) target for the three-year Performance Period will be established, taking into account all factors mentioned as well as the three-year Performance Period Financial Plan, including year-by-year Return on Capital (Assets) (on the same basis as previously described), overall Corporate objectives and, where appropriate, other circumstances. Intercompany amounts will be excluded from Capital (Assets). Cash and marketable securities will be included, except for Brewster Transport's investments on behalf of its Canadian parent companies. Accounts receivable sold will be reinstated as Capital (Assets) so that all accounts receivables are included and returns will not be affected by fluctuations in sold receivables. Capitalized value of leases entered into during the Performance Period for major assets (whether a sale-leaseback or a new lease) will be added to Capital (Assets) to properly include such assets, whether owned or leased. Major construction in process projects, which qualify for capitalization of interest under FASB rules, shall not be included in Capital (Assets) until operational (e.g. Banc One Ballpark - Restaura). Finally, classifications of assets must be consistent with previous years' practices.

B. AVERAGE THREE-YEAR RETURN ON EQUITY (TRAVELERS EXPRESS)

Return on Equity calculations for Travelers Express will be made by dividing each year's net income after taxes by the average quarterly (beginning of year and each quarter-end, including year-end) equity. Consideration will then be given to any known or anticipated changes in equity structure and available industry data, and an appropriate weighted average annual Return on Equity target for the three-year Performance Period will be established, taking into account all factors mentioned as well as the three-year Performance Period Financial Plan year-by-year Return on Equity (on the same basis as previously described), overall Corporate objectives and, where appropriate, other circumstances. Unplanned changes in unrealized securities gains and losses, an element of stockholder's equity pursuant to SFAS No. 115, are to be excluded in determining equity amounts to be used in the calculation of actual Return on Equity hereunder.

C. AVERAGE THREE-YEAR VIAD RETURN ON COMMON STOCKHOLDERS' EQUITY

Return on common stockholders' equity calculations will be made for Viad Corp by dividing each year's net income after taxes less preferred dividend requirements by the year's monthly average of common stockholders' equity (return on common equity). Consideration will then be given to any known or anticipated changes in equity structure and to relevant industry data, and an appropriate weighted average annual Return on Equity target for the three-year Performance Period will be established taking into account all factors mentioned

as well as the three-year Performance Period Financial Plan year-by-year return on equity (on the same basis as previously described), overall Corporate objectives and, where appropriate, other circumstances. Similar to the Travelers Express Return on Equity definition above, unplanned changes in unrealized securities gains and losses are to be excluded in calculating actual Viad return on Equity hereunder, along with unplanned changes in unrealized foreign currency translation adjustments.

D. AVERAGE THREE-YEAR GROWTH IN SUBSIDIARY EARNINGS

An appropriate average three-year net income target for the Performance Period for each Subsidiary Company will be established taking into account historical income, financial plan income for the Performance Period, overall Corporate objectives, and if appropriate, other circumstances. An appropriate range of values above and below such target will then be selected to measure achievement above or below the target.

E. AVERAGE GROWTH IN THREE-YEAR VIAD INCOME PER SHARE

An appropriate average three-year "Income Per Share" from continuing operations target for Viad Corp will be established after considering historical income per share from continuing operations, financial plan income for the Performance Period, overall Corporate objectives and, if appropriate, other circumstances. An appropriate range of values above and below such target will then be selected to measure achievement above or below the target.

F. ESTABLISHING TARGETS

The appropriate targets, range of values above and below such targets and the Performance Period to be used as a basis for the measurement of performance for Awards under the Plan will be determined by the Committee no later than 90 days after the beginning of each new Performance Period during the life of the Plan, after giving consideration to the recommendations of the Chief Executive Officer of Viad Corp. Performance Units will be earned based upon (1) achieving the minimum (threshold) Return on Equity or Capital (Assets) Target and (2) the degree of achievement of the net income or income per share target over the Performance Period following the date of grant. Earned Units can range, based on operating performance, from 0% to 200% of the target Units.

6. OTHER PLAN PROVISIONS

Subsidiary net income and Viad income per share from continuing operations are determined before extraordinary items, effects of changes in accounting principles or a change in federal income tax rates after the target has been set. (For example, new FASB release on Earnings per share to be effective for periods after December 15, 1997 but not considered when targets were set). Reclassification of a major business unit to discontinued operations status after targets have been set would also require adjustment because of effect on Viad continuing operations results. While gains on disposition of a business would normally not be included in determining income per share, in the event of the sale of a subsidiary or major business unit, a portion of gain would be included for the difference between the sold unit's planned net income for the performance period and actual results to date of sale plus calculated interest savings on proceeds for the balance of the performance period, so that actual results are not penalized for selling a business.

There will be an addback to actual net income for any additional intercompany interest cost (net of tax) incurred by a subsidiary as the result of any special dividend paid (in excess of 100% of net income for a year) during the applicable performance period. In addition, an addback to actual net income will be allowed for any increased cost to a subsidiary for an increase in the formula allocation of corporate overhead over amounts included in the Plan/Forecast at the beginning of the applicable performance period.

Incentives to be paid under this Plan must be deducted from

the subsidiary corporation's earnings during the Performance Period (generally in the third year, when the amounts to be paid can be reasonably estimated). Goals must be achieved after deducting from actual results all incentive compensation applicable to such performance periods, including those incentives earned under this Plan.

7. RANGE OF PERFORMANCE AWARDS

The range of values for the Corporation's or a Subsidiary Company's net income or income per share performance is set at a minimum of 80% of target for threshold and capped at 120% of the target. Notwithstanding the foregoing, targets may be established for threshold within the range of above 80% up to and including 95% and for maximum within the range of below 120% down to 105%, as may be designated by the Committee; however, the Committee may, when appropriate, adjust such ranges upward or downward.

Performance Units will be earned based upon meeting or exceeding the minimum (threshold) Return target and the degree of achievement of the pre-defined net income (subsidiary) or income per share from continuing operations (Viad Corp) goals.

PERFORMANCE UNIT AWARD ILLUSTRATION:

Return Threshold Met	No (1)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
% of Net Income/Income per Share Target Achieved (Illustration Assumes Target at 100% reflects 10% compounded annual growth) (2)	(1)	95.5%	97.0%	98.5%	100%	102%	104%	106%	108%
Percent of Award Earned	0%(1)	25%	50%	75%	100%	125%	150%	175%	200%

(1) Unless performance period Return threshold has been met, and for subsidiaries, each year's net income exceeds prior year, no award can be earned regardless of achievement against average Income target.

(2) Percent of award earned will be interpolated when falling between the 25% increments.

8. PARTICIPANT ELIGIBILITY

Personnel will be eligible for participation as recommended by the Viad Corp, Chief Executive Officer for approval by the Committee no later than 90 days after the beginning of each new Performance Period during the life of the Plan, limited only to those key executives who contribute in a substantial measure to the successful performance of the Corporation or its Affiliates. The Chief Executive Officer will recommend for approval by the Committee which Affiliates among its Affiliates should be included in the Plan.

9. AWARD DETERMINATION

The number of Units to be awarded will be determined, generally, by multiplying a factor times the Participant's annual base salary in effect at the time the Award is granted and dividing the result by the average of the high and low of the Corporation's Common Stock on the date of approval of the grant by the Committee. The Award factor will be recommended by the Chief Executive Officer of Viad Corp for approval by the Committee annually no later than 90 days after the beginning of each new performance period. The Committee may adjust the number of Units awarded in its discretion.

10. GENERAL TERMS AND CONDITIONS

The Committee shall have full and complete authority and discretion, except as expressly limited by the Plan, to grant Units and to provide the terms and conditions (which need not be identical among Participants) thereof. Without limiting the generality of the foregoing, the Committee may specify a Performance Period of not less than two years or

not more than five years, rather than the three-year Performance Period provided for above, and such time period will be substituted as appropriate to properly effect the specified Performance Period. No Participant or any person claiming under or through such person shall have any right or interest, whether vested or otherwise, in the Plan or in any Award thereunder, contingent or otherwise, unless and until all the terms, conditions, and provisions of the Plan and its approved administrative requirements that affect such Participant or such other person shall have been complied with. Nothing contained in the Plan or its Administrative Guidelines shall (i) require the Corporation to segregate cash or other property on behalf of any Participant or (ii) affect the rights and power of the Corporation or its Affiliates to dismiss and/or discharge any Participant at any time.

Any recapitalization, reclassification, stock split, stock dividend sale of assets, combination or merger not otherwise provided for herein which affects the outstanding shares of Common Stock of the Corporation or any other change in the capitalization of the Corporation affecting the Common Stock shall be appropriately adjusted for by the Committee or the Board, and any such adjustments shall be final, conclusive and binding.

11. PAYMENTS OF AWARDS

(a) Performance Unit Awards which may become payable under this Plan shall be calculated as determined by the Committee but any resulting Performance Unit Award payable shall be subject to the following calculation: each Unit payable shall be multiplied by the average of the daily means of the market prices of the Corporation's Common Stock during the month following the Performance Period. Performance Unit Awards earned will be determined as of the third Thursday of February following the close of the Performance Period and distribution of the Award will be made within ninety (90) days following the close of the Performance Period. For those Executive Officers affected by Section 162(m) of the Internal Revenue Code, awards will be subject to discretionary downward adjustment by the Committee.

(b) Performance Unit Awards granted under this Plan shall be payable during the lifetime of the Participant to whom such Award was granted only to such Participant; and, except as provided in (d) and (e) of this Section 7, no such Award will be payable unless at the time of payment such Participant is an employee of and has continuously since the grant thereof been an employee of, the Corporation or an Affiliate. Neither absence on leave, if approved by the Corporation, nor any transfer of employment between Affiliates or between an Affiliate and the Corporation shall be considered an interruption or termination of employment for purposes of this Plan.

(c) Prior to the expiration of the Performance Period, all Participants will be provided an irrevocable option to defer all or a portion of any earned Performance Unit Award, if there be one but not less than $1,000, in written form as prescribed by the Board under the provisions of a deferred compensation plan for executives of the Corporation and its Affiliates, if one be adopted.

(d) If a Participant to whom a Performance Unit Award was granted shall cease to be employed by the Corporation or its Affiliate for any reason (other than death, disability, or retirement) prior to the completion of any applicable Performance Period, said Performance Unit Award will be withdrawn and subsequent payment in any form at any time will not be made.

(e) If a Participant to whom a Performance Unit Award was granted shall cease to be employed by the Corporation or its Affiliate due to early, normal, or deferred retirement, or in the event of the death or disability of the Participant, during the Performance Period stipulated in the Performance Unit Award, such Award shall be prorated for the period of time from date of grant to date of retirement, disability or death, as applicable, and become payable within ninety (90 days) following the close of the Performance Period to the Participant or the person to whom interest therein is transferred by will or by the laws of descent and distribution. Performance Unit Awards shall be determined at the same time and in the same manner (except for applicable proration) as described in Section 11(a).

(f) There shall be deducted from all payment of Awards any taxes required to be withheld by any Federal, State, or local government and paid over to any such government in respect to any such payment.

12. ASSIGNMENTS AND TRANSFERS

No award to any Participant under the provisions of the Plan may be assigned, transferred, or otherwise encumbered except, in the event of death of a Participant, by will or the laws of descent and distribution.

13. AMENDMENT OR TERMINATION

The Board may amend, suspend, or terminate the Plan or any portion thereof at any time provided, however, that no such amendment, suspension, or termination shall invalidate the Awards already made to any Participant pursuant to the Plan, without his consent.

14. EFFECTIVE DATE

The Plan shall be effective January 1, 1997, provided however, that any Award made under this Plan is subject to the approval of the Viad 1997 Omnibus Incentive Plan by the stockholders of Viad Corp.

Exhibit 10.O

April 25, 1996

Paul Mullen
3900 Cuba Road
Long Grove, IL 60047

Dear Paul:

The provisions of this letter, when accepted by you, shall constitute an "Agreement" governing your employment with GES Exposition Services, Inc. ("GES"), a wholly-owned subsidiary of The Dial Corp ("Employer").

EMPLOYMENT - You shall be employed as President and Chief Executive Officer of GES during the term of this Agreement. You will devote your best efforts, energies, skill and all of your working time to the discharge of the duties and responsibilities as may from time-to-time be prescribed by Employer's Chief Executive Officer; to serve the best interest of Employer and GES; to perform your tasks to the reasonable satisfaction of the Employer's Chief Executive Officer; and to be responsible to Employer's Chief Executive Officer for the performance of the business of GES and its subsidiaries.

TERM - The term of your employment shall be one year from the date your employment with GES commences and shall continue from year-to-year thereafter unless written notice of termination is given by Employer or you, six (6) months prior to your anniversary date, or six (6) months prior to your anniversary date of any year thereafter, as the case may be.

COMPENSATION - You will be provided a base compensation of $300,000 per year. This base compensation will remain fixed for a period of time until Employer determines when market conditions would indicate merit increases, based upon your performance, should commence. You will be entitled to participate in incentive compensation plans of Employer which shall include Employer's Management Incentive Plan ("MIP") with a target eligibility of 30% of base compensation, and, subject to Employer's Board approval, will be eligible to participate in Employer's Performance Unit Plan ("PUP"), and Employer's Performance-Based Stock Plan, copies of which will be forwarded to you.

Your 1996 MIP participation with GES will be based on partial year targets for that period of time in which you are President and Chief Executive Officer.

RELOCATION - GES will provide you with assistance in your relocation from your current residence to Las Vegas, Nevada, by means of its Employee Relocation Program, the details of which will be forwarded to you.

The Employee Relocation Program will be amended to provide six (6) months payment on the lesser amount of mortgage interest, taxes, insurance, utilities and general maintenance. These payments are conditioned upon your listing of your Long Grove, Illinois residence for sale.

In addition, you will be reimbursed for up to six (6) months of temporary living expenses and weekly airline trips from Las Vegas to Chicago.

Further, you will be given a sum of $10,000 to cover miscellaneous moving expenses.

OTHER BENEFITS - You shall be entitled to all fringe benefits or perquisites provided by Employer or GES to its executives generally using, whenever applicable, base compensation as the basis for determining such benefit. The benefits shall include, inter alia, participation in the Employer's 1992 Stock Incentive Plan, Executive Severance Plan, executive health, dental, life and disability plans, and the GES 401K Plan and the GES Supplemental Employees Retirement Plan, copies of which will be supplied to you.

In addition, in your case, such benefits or perquisites shall also include the use of a luxury automobile, financial counseling, a country club's monthly dues (excluding initiation fees), and a luncheon and health club dues. You are also

authorized to obtain first class air travel while on Employer or GES business.

NON-COMPETE - It is agreed that, in the event of termination of your employment by either party, you will not, for a period of twelve (12) months from the date of such termination, directly or indirectly, solicit or do business with the clients of GES or Exhibitgroup/Giltspur or any of its affiliated companies.

SEPTEMBER 13, 1995 LETTER - In exchange for your waiving any rights and claims to the Letter dated September 13, 1995, from Giltspur, Inc., you will be paid $218,750, less statutory deductions, promptly.

SEVERANCE - In the event that your termination of employment is for a reason other than voluntary resignation or that you have been convicted of a felony, or a crime of moral turpitude, fraud or dishonesty, you will be paid a severance of one year's base compensation at your then current salary. The payment shall be in a lump sum, less statutory deductions.

TERMINATION - Employer may suspend or terminate this Agreement and your employment at any time should you:

(a) become incapable for more than 180 days of satisfactorily performing the duties required of your position due to personal injury or other physical or mental illness or disease; or

(b) engage in activities that would constitute a conflict of interest with Employer, GES or GES subsidiaries; or

(c) be convicted of a felony, or a crime of moral turpitude, fraud or dishonesty, or commit an act which, in the judgment of a majority of Employer's Board of Directors, subjects Employer, GES or GES subsidiaries to public disrespect, scandal or ridicule or adversely affects the utility of your services to Employer or GES; or

(d) knowingly disregard or violate any instruction or policy established by Employer or GES with respect to the operation of the business and affairs of Employer, GES or GES's subsidiaries.

If GES terminates your employment for cause, or if you terminate your employment as a result of your resignation or death, you (or your estate in the event of your death) shall be entitled to receive salary to the date of termination, but shall have no right or claim to an incentive award or bonus for the year in which termination occurs except if your employment terminates by your death.

If you accept employment on the terms and conditions set forth in this letter, please indicate by your signature in the space provided and return one copy to me. This matter is to be kept confidential so that, if you accept, we may plan for an orderly and proper transition of executive management.

Very truly yours,

/s/ John W. Teets
Chairman and CEO
The Dial Corp

ACCEPTED AND AGREED:

/s/ Paul Mullen
Date:

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT entered into effective the 1st day of January, 1997, between VIAD CORP, a Delaware corporation (hereinafter called "Employer"), and Robert H. Bohannon (hereinafter called "Employee").

WITNESSETH:

1. EMPLOYMENT.

Employer hereby employs Employee and Employee hereby agrees to serve Employer in the capacity hereinafter described for the employment term hereinafter set forth. Employee has been elected to the Board of Directors of Viad Corp; in addition, he is hereby employed as Chief Executive Officer, President and Chairman of the Board of Viad Corp, at its headquarters in Phoenix, Arizona. Employee agrees (a) to serve in such position or in any other senior executive position to which he may be elected or appointed by Employer's Board of Directors during the term of this Agreement, (b) to devote his best efforts, energies, skill and all of his working time to the discharge of the duties and responsibilities as Chief Executive Officer, President and Chairman of the Board, and (c) to perform his tasks to Employer's reasonable satisfaction.

2. COMPENSATION AND BENEFITS.

As remuneration for services performed hereunder, Employee shall receive the salary, benefits and incentive compensation that are listed on Schedule "A", attached.

3. TERM.

This Agreement shall become effective immediately and shall terminate on December 31, 1998.

4. EXECUTIVE SEVERANCE AGREEMENT.

Employer shall enter into an Executive Severance Agreement with Employee dealing with the threat or occurrence of a bid or other action to take over control of the Employer. The Executive Severance Agreement shall be comparable in form and substance to the executive severance agreement of Employee's predecessor previously approved by the Board of Directors of Employer

5. TERMINATION.

Employer may terminate this Agreement at any time if:

(a) Employee, by reason of physical or mental illness, shall have been unable to perform satisfactorily the services to be rendered by him hereunder for a consecutive period of one hundred eighty (180) days. Should such incapacity occur, Employee shall be entitled to the retirement benefits as provided on Schedule "A".

(b) Employee should be convicted of a felony or a crime involving moral turpitude, fraud, or dishonesty, or commit an act which, in the judgment of a majority of Employer's Board of Directors, as evidenced by action recorded in the official minutes of a meeting of such Directors, subjects Employer or its subsidiaries to public disrespect, scandal or ridicule or adversely affects the utility of your services to Employer.

(c) Should Employee be requested by a majority of the Board of Directors to resign from the Employer as an officer and Board member, the Employee, in such case, shall be entitled to all benefits earned on Schedule "A" up to the date of resignation and Employee shall be entitled to 150% of salary due for the remaining term of this Agreement, and all other compensation listed on Schedule "A" shall cease as of the date of resignation.

5. BOARD OF DIRECTORS.

Executive shall report to the Board of Directors of Viad Corp in discharging his duties and responsibilities.

IN WITNESS WHEREOF, the parties hereto have caused this Employment Agreement to be executed effective as of the 1 st day of January, 1997.

VIAD CORP

By: /s/ Peter J. Novak
Vice President &
General Counsel

ATTEST:

By: /s/ Scott E. Sayre
Secretary

/s/ Robert H. Bohannon

SCHEDULE "A"

CHIEF EXECUTIVE OFFICER, PRESIDENT & CHAIRMAN OF THE BOARD

Base Salary	$600,000
MIP Target Bonus %	60%
Stock Options	Eligible
Performance Based Stock	Eligible
Performance Unit Plan	Eligible (same as MIP)
First Class Air Travel	Eligible
Company Paid AD&D	$300,000 Company Paid
Health Club	Corporate Fitness Center - reserved locker at $25/month or outside club (paid up to $25 after first $25 paid by employee)
Luncheon Club	Monthly dues at Arizona Club or the Mansion Club
Country Club	Monthly dues
Financial Counseling Services	Choice of counselor at Ayco or Arthur Andersen
Executive Medical	Provides supplemental coverage to the base plan, including co-pays and deductibles
Parking	Reserved company-paid parking
Executive Physical	
Supplemental Executive Retirement Plan - B	
Automobile	
Other Standard Benefits	

Exhibit 11

VIAD CORP
STATEMENT RE COMPUTATION OF PER SHARE EARNINGS
(000 omitted)

	Year ended December 31,		
	1996	1995	1994
PRIMARY:			
Net income (loss)	$ 28,377	$ (16,559)	$ 140,311
Less: Preferred stock dividends	(1,125)	(1,124)	(1,123)
Subsidiary dilutive securities			(9)
	$ 27,252	$ (17,683)	$ 139,179
Weighted average common shares outstanding before common equivalents	89,173	86,865	85,069
Common equivalent stock options	2,464	1,842	1,577
	91,637	88,707	86,646
Net income (loss) per share (dollars)	$ 0.30	$ (0.20)	$ 1.61
FULLY DILUTED:			
Adjusted net income (loss) per above	$ 27,252	$ (17,683)	$ 139,179
Average common and equivalent shares per above	91,637	88,707	86,646
Common equivalent stock options	573	934	
	92,210	89,641	86,646
Net income (loss) per share (dollars)	$ 0.30	$ (0.20)	$ 1.61

VIAD CORP SELECTED FINANCIAL AND OTHER DATA

Year ended December 31,	1996	1995	1994	1993	1992
OPERATIONS (000 omitted)					
Revenues	$2,263,228	$1,976,745	$1,806,597	$1,337,940	$1,340,745
Income from continuing operations (1)	$ 69,071	$ 70,781	$ 61,173	$ 31,975	$ 10,768
Income (loss) from discontinued operations (2)	(40,694)	(73,465)	79,138	110,111	(69,028)
Income (loss) before extraordinary charge and cumulative effect of changes in accounting principle	28,377	(2,684)	140,311	142,086	(58,260)
Extraordinary charge for early retirement of debt				(21,601)	
Cumulative effect of changes in accounting principle (3)		(13,875)			(23,255)
Net income (loss)	$ 28,377	$ (16,559)	$ 140,311	$ 120,485	$ (81,515)
INCOME (LOSS) PER COMMON SHARE (dollars)					
Continuing operations (1)	$ 0.74	$ 0.79	$ 0.69	$ 0.36	$ 0.12
Discontinued operations (2)	(0.44)	(0.83)	0.92	1.29	(0.82)
Income (loss) before extraordinary charge and cumulative effect of changes in accounting principle	0.30	(0.04)	1.61	1.65	(0.70)
Extraordinary charge				(0.25)	
Cumulative effect of changes in accounting principle (3)		(0.16)			(0.28)
Net income (loss) per common share	$ 0.30	$ (0.20)	$ 1.61	$ 1.40	$ (0.98)
Dividends declared per common share (4)	$ 0.48	$ 0.62	$ 0.59	$ 0.56	$ 0.60
Average outstanding common and equivalent shares (000 omitted)	91,637	88,707	86,646	85,406	84,026
FINANCIAL POSITION AT YEAR-END (000 omitted)					
Total assets	$3,453,312	$3,716,548	$3,228,083	$2,699,283	$2,580,540
Total debt (4)	521,127	889,291	741,969	629,829	675,608
$4.75 Redeemable preferred stock	6,604	6,597	6,590	6,586	6,586
Common stock and other equity (4)	432,218	548,169	555,093	469,688	390,395
PEOPLE					
Stockholders of record	69,772	63,925	55,241	51,300	50,688
Employees of continuing operations (average)	24,807	25,504	26,573	19,038	20,630

(1) Includes a nonrecurring gain on the sale of Viad's interest in the Phoenix Suns of $19,025,000, or $0.21 per share, and nonrecurring spin-off costs and management transition expenses of $28,985,000, or $0.32 per share, in 1996. Also includes a nonrecurring gain of $2,260,000, or $0.03 per share, due to the curtailment of certain postretirement medical benefits in 1995. After deducting restructuring and other charges of $13,200,000, or $0.16 per share, in 1992 .
(2) See Notes A and E of Notes to Consolidated Financial Statements.
(3) Initial application of SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" in 1995 and SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" in 1992.
(4) The declines in dividends declared per common share, total debt and common stock and other equity in 1996 reflect the spin-off of The Dial Corporation. Viad's quarterly dividend decreased from $0.16 to $0.08 per share following the spin-off. The Dial Corporation's initial dividend rate after the spin-off maintained the 1995 annual

dividend rate for stockholders who retained shares of both companies following the spin-off.
/TABLE

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION OF VIAD CORP

RESULTS OF OPERATIONS:

On August 15, 1996, Viad Corp ("Viad"), previously known as The Dial Corp, completed the spin-off of its consumer products business, now conducted under the name The Dial Corporation. In effecting the spin-off, one share of The Dial Corporation common stock was distributed for each share of Viad common stock outstanding (the "Distribution"). Effective May 31, 1996, shareholders of a majority-owned Viad subsidiary, Greyhound Lines of Canada ("GLOC"), voted to separate its intercity bus transportation business and its tourism business into two independent companies. At the same time, GLOC minority shareholders approved an automatic share exchange proposal whereby their ownership interests in the tourism company, aggregating 31.5 percent, were exchanged for Viad's 68.5 percent ownership interest in the intercity bus transportation company such that Viad became the owner of 100 percent of the tourism company, Brewster Transport Company Limited, in exchange for its ownership in the intercity bus transportation business. In February 1997, Viad's Board of Directors approved plans to dispose of Viad's cruise line business, operated by Premier Cruise Lines. See Liquidity and Capital Resources and Note E of Notes to Consolidated Financial Statements.

The accompanying Consolidated Financial Statements of Viad include the accounts of Viad and all of its subsidiaries. The statements have been prepared to reflect the historical financial position and results of operations as adjusted for the reclassification of the consumer products, Canadian intercity bus transportation and cruise line businesses as discontinued operations for all periods presented.

1996 vs. 1995:

Revenues for 1996 were $2.3 billion compared with $2 billion in 1995.

Before nonrecurring items, income from continuing operations in 1996 was $79 million, or $0.85 per share, compared with $68.5 million, or $0.76 per share, in 1995. After a nonrecurring gain on the sale of Viad's interest in the Phoenix Suns of $19 million, or $0.21 per share, and nonrecurring spin-off costs and management transition expenses of $29 million, or $0.32 per share, in 1996, income from continuing operations was $69.1 million, or $0.74 per share. Income from continuing operations of $70.8 million, or $0.79 per share, in 1995 included a nonrecurring gain of $2.3 million, or $0.03 per share, arising from the curtailment of certain postretirement medical benefits by a Convention Services subsidiary.

	1996	1995
Income from continuing operations (000 omitted):		
Before nonrecurring items	$ 79,031	$ 68,521
Gain on sale of interest in Phoenix Suns, net of tax provision of $11,464	19,025	
Spin-off costs and management transition expenses, net of tax benefit of $4,015	(28,985)	
Curtailment of certain post-retirement medical benefits, net of tax provision of $1,217		2,260
Income from continuing operations	$ 69,071	$ 70,781
Income per common share from continuing operations (dollars):		
Before nonrecurring items	$ 0.85	$ 0.76
Gain on sale of interest in Phoenix Suns	0.21	
Spin-off costs and management transition expenses	(0.32)	
Curtailment of certain post-retirement medical benefits		0.03
Income per common share from continuing operations	$ 0.74	$ 0.79

Viad reported 1996 net income of $28.4 million, or $0.30 per share, compared with a net loss of $16.6 million, or $0.20 per share, in 1995.

The 1996 net income is after deducting a loss from discontinued operations of $40.7 million, or $0.44 per share, while the 1995 net loss included a loss from discontinued operations of $73.5 million, or $0.83 per share. See Note E of Notes to Consolidated Financial Statements. The 1995 net loss is also after deducting a one-time charge of $13.9 million (net of tax benefit of $8.5 million), or $0.16 per share, to record the cumulative effect to January 1, 1995, of the initial application of SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." As discussed further in Note C of Notes to Consolidated Financial Statements, the SFAS No. 121 adjustment is a noncash charge for assets held for disposal at January 1, 1995.

Airline Catering and Services. Revenues of the Airline Catering and Services segment increased $57.6 million, or 7 percent, to $858 million in 1996, with operating income increasing $5.5 million, or 8 percent. The increase in revenues and operating income is attributed primarily to new business, including an eight-city airline catering contract from Continental Airlines phased in through the first part of 1996. Income from the airplane fueling and ground handling services area was essentially even with the prior year, due primarily to higher workers compensation insurance costs. Operating margins increased to 8.7 percent from 1995's 8.6 percent, due to improved airline catering margins.

Convention Services. Convention Services' 1996 revenues of $774 million were up $185 million, or 31 percent, from those of the 1995 period, due primarily to the acquisition of Giltspur, Inc., in October 1995. Special events held in 1996, including the Atlanta Olympics and the Democratic National Convention, contributed to the revenue increase. Excluding the nonrecurring gain of $3.5 million on the curtailment of certain postretirement medical benefits in 1995, operating income increased $13.4 million, or 26 percent, as a result of the Giltspur acquisition and improved cost controls. On this same basis, operating margins decreased to 8.3 percent in 1996 from 8.7 percent in 1995, as the mix of convention business changed with the addition of Giltspur.

Travel and Leisure and Payment Services. Revenues of the Travel and Leisure and Payment Services segment were $631.2 million in 1996, up $43.8 million, or 7 percent, over those of 1995. Viad's payment services subsidiary continues to invest increasing amounts in tax-exempt securities. On a fully taxable equivalent basis, revenues and operating income would have been $21.5 million and $16 million higher in 1996 and 1995, respectively. While reported operating income of $65.6 million was down $400,000, or 1 percent, from that of 1995, operating income actually increased $5.1 million, or 6 percent, over the prior year on the fully taxable equivalent basis. Operating margins on the fully taxable equivalent basis would be 13.3 percent in 1996, down slightly from 13.6 percent in 1995.

On the fully taxable equivalent basis, 1996 revenues and operating income of payment services increased $15.4 million and $2.2 million, respectively, over those of 1995. The revenue increase was due principally to increased investment income arising from larger investment balances in 1996 than in 1995, which overcame lower realized investment gains. Operating income increased due to the higher net revenues but was partially offset by lower realized investment gains, increased commissions and other expenses associated with increased official check business.

Duty Free airport and shipboard concession revenues increased $44.1 million from 1995 to 1996, due primarily to the December 1995 revision of an airport concession contract, which was formerly on a management fee basis. Operating income improved $1.7 million, as the cost of sales from the revised airport concession arrangement offset much of the related revenue increase.

Travel tour service revenues and operating income improved $11.3 million and $2.3 million, respectively, from 1995 levels, as a result of contributions from tour operations acquired in 1995, strong growth in icefield tour revenues, and improved passenger volumes and hotel occupancy rates.

Revenues and operating income of the food service companies were down $1.3 million and $600,000, respectively, from those of 1995. General Motors strike activity during 1996 temporarily closed plants served by Restaura's contract foodservice operation. In addition, two fast food locations were closed during 1996.

Unallocated Corporate Expense and Other Items, Net. Excluding an $872,000 increase in expenses of selling receivables, unallocated corporate expense and other items, net, rose 6 percent.

Interest Expense. Interest expense for 1996 increased $100,000 over that of 1995. Higher interest rates were offset by lower levels of debt outstanding.

Income Taxes. Excluding the effect of nonrecurring items (see Note D of Notes to Consolidated Financial Statements) from both periods, the 1996

effective tax rate was 30.4 percent compared to 29.3 percent in 1995. The relatively low tax rates in 1996 and 1995 result from the increased use of tax-exempt investments by Viad's payment services subsidiary. Including the effect of nonrecurring items, the 1996 effective tax rate was 37.8 percent, as no tax benefit was recorded on significant portions of spin-off costs and management transition expenses, compared to 29.5 percent in 1995.

1995 vs. 1994:

Revenues for 1995 were $2 billion compared with $1.8 billion in 1994.

Income from continuing operations for 1995 was $70.8 million, or $0.79 per share, including the nonrecurring gain of $2.3 million, or $0.03 per share, on the curtailment of certain postretirement medical benefits discussed previously. Income from continuing operations in 1994 was $61.2 million, or $0.69 per share.

Viad had a net loss of $16.6 million, or $0.20 per share, in 1995 compared with net income of $140.3 million, or $1.61 per share, in 1994. The 1995 net loss is after deducting a loss from discontinued operations of $73.5 million, or $0.83 per share, while the 1994 net income included income from discontinued operations of $79.1 million, or $0.92 per share. See Note E of Notes to Consolidated Financial Statements. The 1995 net loss is also after deducting a one-time charge of $13.9 million, or $0.16 per share, from the initial application of SFAS No. 121 mentioned previously.

Airline Catering and Services. Revenues of the Airline Catering and Services segment for 1995 of $800.3 million increased $36.7 million, or 5 percent, from 1994, with operating income increasing $6.2 million, or 10 percent. The increase is primarily attributed to having the United Airlines flight kitchens, acquired in the first half of 1994, operational throughout 1995. Additional aircraft service locations and other new business from continuing locations also contributed to the increase, partially offset by the effect of further airline meal service cutbacks on certain domestic flights of short duration. Operating margins improved to 8.6 percent from 1994's 8.2 percent, as the former United flight kitchens reached normal efficiency levels during 1995 versus the start-up and training period in 1994.

Convention Services. Convention Services' 1995 revenues of $589 million were up $66.3 million, or 13 percent, from those of the 1994 period, due primarily to acquisitions in 1995, including Giltspur, Inc., in the fourth quarter of 1995. Excluding the nonrecurring $3.5 million gain on the curtailment of certain postretirement medical benefits, operating income increased $500,000, or 1 percent, while operating margins on that same basis decreased to 8.7 percent in 1995 from 9.7 percent in 1994. Operating income and margins were impacted by certain shows not repeated each year and by higher costs of staging shows in certain locales, which more than offset the fourth quarter 1995 contribution from Giltspur.

Travel and Leisure and Payment Services. Revenues of the Travel and Leisure and Payment Services segment were $587.4 million in 1995, up $67.2 million, or 13 percent, over those of 1994. These companies reported operating income of $66 million, up $5.3 million, or 9 percent, from that of 1994. Viad's payment services subsidiary continues to invest increasing amounts in tax-exempt securities. On a fully taxable equivalent basis, revenues and operating income would be higher by $16 million and $7.9 million for 1995 and 1994, respectively. Operating margins on the fully taxable equivalent basis would be 13.6 percent in 1995, up from 13.0 percent in 1994.

On the fully taxable equivalent basis, 1995 revenues of payment services would be $41.9 million higher than those of 1994, due principally to increased investment income, revenues from new product lines and increased realized investment gains. Investment income increased due to higher investment yields and higher fund balances in 1995 than in 1994. On the fully taxable equivalent basis, payment services operating income would be $12.4 million above that in 1994, as the higher revenues more than offset higher commission expense for official checks and other volume-related costs.

Duty Free airport and shipboard concession revenues declined $1.4 million from 1994 to 1995, due primarily to 1994 including revenues of a major shipboard concession phased out over the first ten months of 1994 and fewer passenger days for continuing business, which were offset in part by revenues from a revised airport concession arrangement late in 1995. Operating income improved $700,000, due mostly to lower operating expenses and the effect of higher revenue per passenger day.

Travel tour service revenues and operating income improved $39.9 million and $2.9 million, respectively, from 1994 levels, due primarily to strong growth in existing package tour operations, improved passenger volumes and hotel occupancy, favorable foreign exchange rates, and acquisitions of tour operations in Ireland and Canada.

Food service revenues improved $3.1 million from those of 1994. Increased business at General Motors locations and at the America West Arena was partly offset by the closing of certain fast food outlets and the sale of a noncore operation in the second quarter of 1995. Operating income of the food service companies increased $100,000 from 1994 to 1995 as operating income generated from higher revenues was mostly offset by certain one-time costs associated with the sale of the noncore operation.

Unallocated Corporate Expense and Other Items, Net. Unallocated corporate expense and other items, net, decreased $200,000, or 1 percent, from that of 1994.

Interest Expense. Interest expense for 1995 increased $5.7 million over that of 1994, as both debt levels and interest rates on floating-rate debt were higher in 1995 than in 1994. Debt level increases were due primarily to the acquisition of Giltspur in October 1995.

Income Taxes. The 1995 effective tax rate was 29.5 percent, down from 32.6 percent in 1994. This reduction in the effective tax rate resulted primarily from the increased use of tax-exempt investments by Viad's payment services subsidiary.

LIQUIDITY AND CAPITAL RESOURCES:

In connection with the Distribution described in Notes A, E and I of Notes to Consolidated Financial Statements, in August 1996 Viad borrowed $280 million under a new $350 million bank credit facility and used the proceeds to repay floating-rate indebtedness of Viad. The credit facility and the related liability were then assumed by The Dial Corporation upon the spin-off, thereby transferring that portion of Viad's outstanding indebtedness deemed attributable to The Dial Corporation. On a pro forma basis, after giving effect to the debt assumed by The Dial Corporation and the reduction of equity upon the Distribution, Viad's debt-to-capital ratio would have been approximately 0.60 to 1 at December 31, 1995. The debt-to-capital ratio at December 31, 1996 was 0.54 to 1. Capital is defined as total debt plus minority interests, preferred stock and common stock and other equity.

In July 1994, a Shelf Registration filed with the Securities and Exchange Commission became effective. Under the Shelf Registration, Viad can issue up to an aggregate $500 million of debt and equity securities. No securities have yet been issued under the program. The Shelf Registration enhances Viad's future financing options.

Viad's payment service operations generate funds from the sale of money orders and other payment instruments (classified as "Payment service obligations"). The proceeds of such sales are invested by Viad's payment services subsidiary, in accordance with applicable state laws, in highly liquid debt instruments (classified, along with cash on hand and cash in transit from agents, as "Funds, agents' receivables and current maturities of investments restricted for payment service obligations"), which before consolidating eliminations included investment-grade commercial paper issued by Viad and supported along with the rest of Viad's outstanding commercial paper by a credit commitment under a long-term revolving bank credit agreement, as described in Note I of Notes to Consolidated Financial Statements; and in a portfolio of high-quality investments (all of the investments at December 31, 1996 have ratings of A- or higher or are collateralized by federal agency securities), including federal, state and municipal obligations, asset-backed securities and corporate debt securities (classified as "Investments restricted for payment service obligations"). These investments are restricted by state regulatory agencies for use by Viad's payment services subsidiary to satisfy the liability to pay, upon presentment, the face amount of such payment service obligations, and accordingly such assets are not available to satisfy working capital or other financing requirements of Viad. Fluctuations in the balances of payment service assets and obligations result from varying levels of sales of money orders and other payment instruments, the timing of the collections of agents' receivables and the timing of the presentment of such instruments.

With respect to working capital, in order to minimize the effects of borrowing costs on earnings, Viad strives to maintain current assets (principally cash, inventories and receivables) at the lowest practicable levels while at the same time taking advantage of the payment terms offered by trade creditors. These efforts notwithstanding, working capital requirements fluctuate significantly from seasonal factors as well as changes in levels of receivables and inventories caused by numerous business factors.

Viad satisfies a portion of its working capital and other financing requirements with short-term borrowings (through commercial paper, bank note programs and bank lines of credit) and the sale of receivables. As discussed in Note I of Notes to Consolidated Financial Statements, short-term borrowings are supported by a long-term revolving bank credit agreement. Effective with the Distribution in August 1996, Viad's borrowings are supported by unused commitments under a $400 million

long-term revolving bank credit agreement.

In addition, as discussed further in Note O of Notes to Consolidated Financial Statements, Viad has an agreement to sell up to $75 million of trade accounts receivable under which the purchaser has agreed to invest collected amounts in new purchases. The accounts receivable sold totaled $75 million at December 31, 1996. The agreement expires in August 1997 but is expected to be extended annually.

As discussed in Note J of Notes to Consolidated Financial Statements, in September 1992 Viad sold 10,491,800 shares of treasury stock to Viad's Employee Equity Trust (the "Trust"). This Trust is being used to fund certain existing employee compensation and benefit plans over the scheduled 15-year term of the Trust. The Trust acquired the shares of common stock from Viad for a $200 million promissory note at the date of sale. For financial reporting purposes, the Trust is consolidated with Viad. The fair market value of the shares held by the Trust, representing unearned employee benefits, was recorded as a deduction from common stock and other equity, and is reduced as employee benefits are funded. At December 31, 1996, a total of 5,670,818 shares remained in the Trust and were available to fund future benefit obligations.

Capital spending has been reduced by obtaining, where appropriate, equipment and other property under operating leases. Viad's capital asset needs and working capital requirements are expected to be financed primarily with internally generated funds. Viad has entered into a long-term concession contract, commencing in 1998, to provide food and beverage service at Bank One Ballpark, which will be the home of the Arizona Diamondbacks, a new major league baseball franchise. The ballpark is currently under construction in Phoenix, Arizona. In conjunction with the concession agreement, Viad has committed to capital expenditures of up to $30 million for build-out of the ballpark's food and beverage facilities in late 1997 and early 1998, which is expected to result in higher than normal annual capital expenditures in 1997. Cash flows from operations, receivables sales, proceeds from the sale of businesses and noncore assets and proceeds from the exercise of stock options during the past three years have generally been sufficient to finance capital expenditures, the purchase of businesses and cash dividends to stockholders. Viad expects these trends to continue with operating cash flows, proceeds from the sale of noncore assets and proceeds from the sale of Trust shares and other treasury stock generally being sufficient to finance its business. Should financing requirements exceed such sources of funds, Viad believes it has adequate external financing sources available, including Viad's $500 million Shelf Registration, to cover any such shortfall.

As indicated in Note M of Notes to Consolidated Financial Statements, Viad has certain unfunded pension and other postretirement benefit plans that require payments over extended periods of time. Such future benefit payments are not expected to materially affect Viad's liquidity.

As of December 31, 1996, Viad has recorded U.S. deferred income tax assets totaling $80.5 million, which Viad believes to be fully realizable in future years. The realization of such benefits will require average annual taxable income over the next 15 years (the current Federal loss carryforward period) of approximately $15 million. Viad's average U.S. pretax income from continuing operations, exclusive of nondeductible goodwill amortization and minority interests, over the past three years has been approximately $93 million. Furthermore, approximately $34 million of the deferred income tax benefits relate to unfunded pension, compensation and other employee benefits which will become deductible for income tax purposes as they are paid, which will occur over extended periods of time.

Viad is subject to various environmental laws and regulations of the United States as well as of the states and other countries in whose jurisdictions Viad has or had operations and is subject to certain international agreements. As is the case with many companies, Viad faces exposure to actual or potential claims and lawsuits involving environmental matters. Viad believes that any liabilities resulting therefrom, after taking into consideration amounts already provided for, but exclusive of any potential insurance recovery, should not have a material adverse effect on Viad's financial position or results of operations.

BUSINESS OUTLOOK AND RECENT DEVELOPMENTS:

Viad has actively sought to implement a focused business strategy through acquisitions and divestitures. Viad, formerly named The Greyhound Corporation and later The Dial Corp, has acted consistently to strengthen its focus on its core businesses through acquisitions of complementary businesses, the 1992 spin-off of its financial services and insurance business and the 1996 spin-off of its consumer products business to stockholders. Since 1983, Viad has also divested noncore businesses, including its meat packing business, its domestic intercity bus business, its computer leasing business and its transportation manufacturing and

replacement parts business. The May 1996 disposition of the Canadian intercity bus transportation business and the planned disposition of its cruise line business are a continuation of the overall strategy.

Going forward, Viad will continue to evaluate and determine the best use of its resources and continue to assess alternatives and pursue objectives appropriate to its specific businesses. Viad also will continue to pursue the sale of noncore assets, including various real estate holdings. In the fourth quarter of 1996, Viad sold its interest in the Phoenix Suns.

The challenges for Viad's businesses for 1997 and beyond are many. Viad's focus will primarily be in its three core businesses--airline catering, convention services and payment services. The key to success will be to excel in providing the highest quality of services in these markets and continue to grow revenues and operating income in an increasingly competitive and changing marketplace. Viad will continue to focus on improving and maintaining healthy operating margins, through monitoring and reducing costs and expenses. Viad remains aggressive in its commitment to continue to enhance stockholder value in the years ahead.

As provided by the "Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995," Viad cautions readers that, in addition to the historical information contained herein, this annual report includes certain forward-looking statements, assumptions and discussions which involve risks and uncertainties, including, but not limited to, economic, competitive and capital marketplace factors which affect Viad's operations, markets, products, services and prices which could cause Viad's future results and stockholder values to differ materially from those expressed or implied in any forward-looking comments made by, or on behalf of, Viad.

MANAGEMENT'S REPORT ON RESPONSIBILITY FOR FINANCIAL REPORTING

The management of Viad Corp has the responsibility for preparing and assuring the integrity and objectivity of the accompanying financial statements and other financial information in this report. The financial statements were developed using generally accepted accounting principles and appropriate policies, consistently applied except for the change in 1995 to comply with new accounting requirements for impairment of long-lived assets as discussed in Note C of Notes to Consolidated Financial Statements. They reflect, where applicable, management's best estimates and judgments and include disclosures and explanations which are relevant to an understanding of the financial affairs of the Company.

The Company's financial statements have been audited by Deloitte & Touche LLP, independent auditors elected by the stockholders. Management has made available to Deloitte & Touche LLP all of the Company's financial records and related data, and has made appropriate and complete written and oral representations and disclosures in connection with the audit.

Management has established and maintains a system of internal control that it believes provides reasonable assurance as to the integrity and reliability of the financial statements, the protection of assets and the prevention and detection of fraudulent financial reporting. The system of internal control is believed to provide for appropriate division of responsibilities and is documented by written policies and procedures that are utilized by employees involved in the financial reporting process. Management also recognizes its responsibility for fostering a strong ethical climate. This responsibility is characterized and reflected in the Company's Code of Corporate Conduct, which is communicated to all of the Company's executives and managers.

The Company also maintains a comprehensive internal auditing function which independently monitors compliance and assesses the effectiveness of the internal controls and recommends potential improvements thereto. In addition, as part of their audit of the Company's financial statements, the independent auditors review and evaluate selected internal accounting and other controls to establish a basis for reliance thereon in determining the audit tests to be applied. There is close coordination of audit planning and coverage between the Company's internal auditing function and the independent auditors. Management has considered the recommendations of both internal auditing and the independent auditors concerning the Company's system of internal control and has taken actions believed to be cost-effective in the circumstances to implement appropriate recommendations and otherwise enhance controls. Management believes that the Company's system of internal control accomplishes the objectives discussed herein.

The Board of Directors oversees the Company's financial reporting through its Audit Committee, which regularly meets with management representatives and, jointly and separately, with the independent auditors and internal auditing management to review interest rate swap activity, accounting, auditing and financial reporting matters.

/s/ Richard C. Stephan
Richard C. Stephan

Vice President--Controller

/s/ Ronald G. Nelson
Ronald G. Nelson
Vice President--Finance
and Treasurer

/s/ Gerald L. Berner
Gerald L. Berner
Vice President--Internal Auditing

INDEPENDENT AUDITORS' REPORT

To the Stockholders and Board of Directors of Viad Corp:

We have audited the accompanying consolidated balance sheets of Viad Corp (formerly named The Dial Corp) as of December 31, 1996 and 1995, and the related consolidated statements of income, common stock and other equity and of cash flows for each of the three years in the period ended December 31, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Viad Corp as of December 31, 1996 and 1995, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1996 in conformity with generally accepted accounting principles.

As discussed in Note C of Notes to Consolidated Financial Statements, the Company changed its method of accounting for impairment of long-lived assets in 1995.

/s/ Deloitte & Touche LLP
Deloitte & Touche LLP
Phoenix, Arizona
February 21, 1997

VIAD CORP CONSOLIDATED BALANCE SHEET

December 31, (000 omitted, except share data)

	1996	1995
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,422	$ 17,945
Receivables, less allowance of $12,744 and $14,760	163,262	149,631
Inventories	93,730	83,132
Deferred income taxes	32,567	30,689
Other current assets	59,562	36,198
	353,543	317,595
Funds, agents' receivables and current maturities of investments restricted for payment service obligations, after eliminating $90,000 invested in Viad commercial paper	670,258	786,081
Total current assets	1,023,801	1,103,676
Investments restricted for payment service obligations	1,144,279	880,035
Property and equipment	473,039	447,553
Other investments and assets	125,705	103,508
Investments in discontinued operations	97,958	625,737
Deferred income taxes	47,904	36,707
Intangibles	540,626	519,332
	$3,453,312	$3,716,548
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 148,990	$ 108,999
Accrued compensation	68,976	64,780
Other current liabilities	263,049	239,654
Current portion of long-term debt	2,348	77,450
	483,363	490,883
Payment service obligations	1,869,480	1,739,508
Total current liabilities	2,352,843	2,230,391
Long-term debt	518,779	811,841
Pension and other benefits	61,689	59,519
Other deferred items and insurance reserves	73,291	47,413
Commitments and contingent liabilities (Notes J, N, O and P)		
Minority interests	7,888	12,618
$4.75 Redeemable preferred stock	6,604	6,597
Common stock and other equity:		
Common stock, $1.50 par value, 200,000,000 shares authorized, 97,108,724 shares issued	145,663	145,663
Additional capital	282,203	362,205
Retained income	146,664	322,439
Cumulative translation adjustments	(1,519)	(18,380)
Unearned employee benefits	(118,766)	(213,996)
Unrealized gain on securities classified as available for sale, net of tax	205	1,456
Common stock in treasury, at cost, 1,162,718 and 2,877,500 shares	(22,232)	(51,218)
Total common stock and other equity	432,218	548,169
	$3,453,312	$3,716,548

See Notes to Consolidated Financial Statements.

VIAD CORP STATEMENT OF CONSOLIDATED INCOME

Year ended December 31, (000 omitted, except per share data)

	1996	1995	1994
REVENUES	$2,263,228	$1,976,745	$1,806,597
Costs and expenses:			
Costs of sales and services	2,058,846	1,787,420	1,632,776
Unallocated corporate expense and other items, net	36,131	33,354	33,594
Interest expense	53,019	52,897	47,247
Nonrecurring items:			
Gain on sale of interest in Phoenix Suns	(30,489)		
Spin-off costs and management transition expenses	33,000		
Minority interests	1,752	2,629	2,279
	2,152,259	1,876,300	1,715,896
Income before income taxes	110,969	100,445	90,701
Income taxes	41,898	29,664	29,528
INCOME FROM CONTINUING OPERATIONS	69,071	70,781	61,173
Income (loss) from discontinued operations	(40,694)	(73,465)	79,138
Income (loss) before cumulative effect of change in accounting principle	28,377	(2,684)	140,311
Cumulative effect, net of tax benefit of $8,459, to January 1,1995, of initial application of SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of"		(13,875)	
NET INCOME (LOSS)	$ 28,377	$ (16,559)	$ 140,311
INCOME (LOSS) PER COMMON SHARE:			
Continuing operations	$ 0.74	$ 0.79	$ 0.69
Discontinued operations	(0.44)	(0.83)	0.92
Income (loss) before cumulative effect of change in accounting principle	0.30	(0.04)	1.61
Cumulative effect, to January 1, 1995, of initial application of SFAS No. 121		(0.16)	
NET INCOME (LOSS) PER COMMON SHARE	$ 0.30	$ (0.20)	$ 1.61
Dividends declared per common share	$ 0.48	$ 0.62	$ 0.59
Average outstanding common and equivalent shares	91,637	88,707	86,646

See Notes to Consolidated Financial Statements.

VIAD CORP STATEMENT OF CONSOLIDATED CASH FLOWS

Year ended December 31, (000 omitted)

	1996	1995	1994
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES:			
Net income (loss)	$ 28,377	$ (16,559)	$ 140,311
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	74,444	68,872	62,685
Deferred income taxes	8,685	9,133	13,422
Loss (income) from discontinued operations	40,694	73,465	(79,138)
Spin-off costs and management transition expenses	33,000		
Cumulative effect of change in accounting principle		13,875	
Gains on sales of property and other assets, net	(42,382)	(11,350)	(4,087)
Other noncash items, net	13,774	11,901	10,639
Change in operating assets and liabilities:			
Receivables and inventories	(20,083)	(33,682)	(20,536)
Payment service assets and obligations, net	242,728	186,908	166,200
Accounts payable and accrued compensation	38,472	5,458	15,532
Other assets and liabilities, net	(63,995)	(31,747)	39,528
Net cash provided by operating activities	353,714	276,274	344,556
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES:			
Capital expenditures	(82,149)	(59,585)	(54,989)
Acquisitions of businesses, net of cash acquired	(21,731)	(93,803)	(145,042)
Proceeds from sales of property and other assets	44,687	11,614	6,025
Investments restricted for payment service obligations:			
Proceeds from sales and maturities of securities classified as available for sale	581,192	485,664	237,972
Proceeds from sales and maturities of securities classified as held to maturity	25,584	22,201	
Purchases of securities classified as available for sale	(630,685)	(577,884)	(341,716)
Purchases of securities classified as held to maturity	(241,616)	(103,553)	(105,023)
Investments in and advances from (to) discontinued operations, net	50,530	(100,858)	(37,245)
Net cash used by investing activities	(274,188)	(416,204)	(440,018)
CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES:			
Proceeds from long-term borrowings		40,000	70,000
Payments on long-term borrowings	(77,615)	(2,314)	(2,238)
Net change in short-term borrowings classified as long-term debt	(12,888)	100,388	44,296
Dividends on common and preferred stock	(43,869)	(55,024)	(51,401)

Minority portion of subsidiary's special dividend			(9,761)
Proceeds from sales of treasury stock	40,032	32,062	28,546
Net change in receivables sold	14,203	36,797	6,000
Cash payments on interest rate swaps	(12,912)	(16,802)	(17,795)
Net cash provided (used) by financing activities	(93,049)	135,107	67,647
Net decrease in cash and cash equivalents	(13,523)	(4,823)	(27,815)
Cash and cash equivalents, beginning of year	17,945	22,768	50,583
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 4,422	$ 17,945	$ 22,768

SIGNIFICANT NONCASH INVESTING AND FINANCING ACTIVITIES:	
Assumption of debt by The Dial Corporation	$ 280,000
Distribution of equity in the consumer products business to Viad stockholders	155,450
Acquisition of minority interest in the Canadian tourism business in exchange for Viad's ownership in the inter-city bus transportation business	20,150
Decrease in investments in discontinued operations	$ 455,600

See Notes to Consolidated Financial Statements.

VIAD CORP STATEMENT OF CONSOLIDATED COMMON STOCK AND OTHER EQUITY

Year ended December 31, (000 omitted)

	1996	1995	1994
COMMON STOCK:			
Balance, beginning of year	$ 145,663	$ 145,663	$ 72,832
Two-for-one stock split			72,831
Balance, end of year	$ 145,663	$ 145,663	$ 145,663
ADDITIONAL CAPITAL:			
Balance, beginning of year	$ 362,205	$ 308,350	$ 378,814
Two-for-one stock split			(72,831)
Treasury shares issued in connection with employee benefit plans	(9,986)	(752)	(2,763)
Treasury shares issued in connection with dividend reinvestment plan	3,168	2,949	1,175
Net change in unamortized amount of performance-based and restricted stock awards	2,070	2,428	(4,456)
Employee Equity Trust adjustment to market value	13,422	54,484	8,635
Distribution of consumer products business to Viad stockholders	(88,607)		
Treasury shares issued in connection with acquisition of subsidiary		(5,202)	
Other, net	(69)	(52)	(224)
Balance, end of year	$ 282,203	$ 362,205	$ 308,350
RETAINED INCOME:			
Balance, beginning of year	$ 322,439	$ 393,233	$ 304,481
Net income (loss)	28,377	(16,559)	140,311
Dividends on common and preferred stock	(43,869)	(55,024)	(51,401)
Distribution of consumer products business to Viad stockholders	(160,026)		
Other, net	(257)	789	(158)
Balance, end of year	$ 146,664	$ 322,439	$ 393,233
CUMULATIVE TRANSLATION ADJUSTMENTS:			
Balance, beginning of year	$ (18,380)	$ (20,910)	$ (9,889)
Unrealized translation gain (loss)	19	2,530	(11,021)
Distribution of consumer products business to Viad stockholders	4,576		
Disposition of Canadian intercity bus transportation business	12,266		
Balance, end of year	$ (1,519)	$ (18,380)	$ (20,910)
UNEARNED EMPLOYEE BENEFITS:			
Balance, beginning of year	$ (213,996)	$ (176,201)	$ (189,940)
Employee benefits earned	20,045	16,689	22,374
Employee Equity Trust adjustment to market value	(13,422)	(54,484)	(8,635)
Distribution of consumer products business to Viad stockholders	88,607		
Balance, end of year	$ (118,766)	$ (213,996)	$ (176,201)
UNREALIZED GAIN (LOSS) ON SECURITIES CLASSIFIED AS AVAILABLE FOR SALE:			

Balance, beginning of year	$ 1,456	$ (21,742)	$ --
Unrealized loss on securities classified as available for sale at January 1, 1994, due to adoption of SFAS No. 115			(1,369)
Net change in unrealized gain (loss)	(1,251)	23,198	(20,373)
Balance, end of year	$ 205	$ 1,456	$ (21,742)
COMMON STOCK IN TREASURY:			
Balance, beginning of year	$ (51,218)	$ (73,300)	$ (86,610)
Shares issued in connection with employee benefit plans	19,453	8,448	4,794
Shares issued in connection with dividend reinvestment plan	9,417	6,368	4,866
Shares issued in connection with acquisition of subsidiary		5,131	
Other, net	116	2,135	3,650
Balance, end of year	$ (22,232)	$ (51,218)	$ (73,300)
COMMON STOCK AND OTHER EQUITY	$ 432,218	$ 548,169	$ 555,093

See Notes to Consolidated Financial Statements.

VIAD CORP NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years ended December 31, 1996, 1995 and 1994

A. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation. The Consolidated Financial Statements of Viad Corp ("Viad"), previously known as The Dial Corp, include the accounts of Viad and all of its subsidiaries. On August 15, 1996, Viad spun off its consumer products business, now conducted under the name The Dial Corporation. Viad also disposed of its 68.5 percent ownership interest in its Canadian intercity bus transportation business on May 31, 1996. In February 1997, Viad's Board of Directors approved plans to dispose of Viad's cruise line business. The accompanying financial statements have been prepared to reflect the historical financial position and results of operations as adjusted for the reclassification of the consumer products, Canadian intercity bus transportation and cruise line businesses as discontinued operations for all periods presented. See Note E of Notes to Consolidated Financial Statements.

The Consolidated Financial Statements are prepared in accordance with generally accepted accounting principles, which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Intercompany accounts and transactions between Viad and its subsidiaries have been eliminated in consolidation. Described below are those accounting policies particularly significant to Viad, including those selected from acceptable alternatives.

Cash Equivalents. Viad considers all highly liquid investments with original maturities of three months or less from date of purchase as cash equivalents.

Inventories. Inventories, which consist primarily of duty-free merchandise, exhibit materials, food and supplies used in providing services, are stated at the lower of cost (first-in, first-out and average cost methods) or market.

Funds and Agents' Receivables and Investments Restricted for Payment Service Obligations. Viad's payment service operations generate funds from the sale of money orders and other payment instruments (classified as "Payment service obligations"). The proceeds of such sales are invested by Viad's payment services subsidiary, in accordance with applicable state laws, in highly liquid debt instruments (classified, along with cash on hand and cash in transit from agents, as "Funds, agents' receivables and current maturities of investments restricted for payment service obligations"), which before consolidating eliminations, included investment-grade commercial paper issued by Viad and supported along with the rest of Viad's outstanding commercial paper by a credit commitment under a long-term revolving bank credit agreement, as described in Note I of Notes to Consolidated Financial Statements; and in a portfolio of high-quality investments (all of the investments at December 31, 1996, have ratings of A- or higher or are collateralized by federal agency securities), including federal, state and municipal obligations, asset-backed securities and corporate debt securities (classified as "Investments restricted for payment service obligations"). These investments are restricted by state regulatory agencies for use by Viad's payment services subsidiary to satisfy the liability to pay, upon presentment, the face amount of such payment service obligations and accordingly such assets are not available to satisfy working capital or other financing requirements of Viad.

Effective January 1, 1994, Viad adopted Statement of Financial Accounting Standards ("SFAS") No. 115, "Accounting for Certain Investments in Debt and Equity Securities." Viad is required by SFAS No. 115 to classify securities into one of three categories at acquisition: available for sale, held to maturity, or trading, with different reporting requirements for each classification. See Note F of Notes to Consolidated Financial Statements for a discussion of the classification and reporting of these securities.

Impairment of Long-Lived Assets. As discussed further in Note C of Notes to Consolidated Financial Statements, in the fourth quarter of 1995, Viad elected the early adoption of SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." SFAS No. 121 establishes the accounting standards for the impairment of long-lived assets, certain identifiable intangibles, and goodwill related to those assets which are to be held and used and for long-lived assets and certain identifiable intangibles which are to be disposed of.

In accordance with the provisions of SFAS No. 121, Viad reviews the

carrying values of its long-lived assets and identifiable intangibles for possible impairment whenever events or changes in circumstances indicate that the carrying amount of assets to be held and used may not be recoverable. SFAS No. 121 requires that for assets to be held and used, if the sum of the expected future undiscounted cash flows is less than the carrying amount of the asset, an impairment loss should be recognized, measured as the amount by which the carrying amount exceeds the fair value of the asset. For assets to be disposed of, Viad reports long-lived assets and certain identifiable intangibles at the lower of carrying amount or fair value less cost to sell.

Property and Equipment. Property and equipment are stated at cost, net of impairment write-downs. Depreciation is provided principally by use of the straight-line method at annual rates as follows:

Buildings	2% to 5%
Machinery and other equipment	5% to 33%
Leasehold improvements	Lesser of lease term or useful life

Intangibles. Intangibles are carried at cost less accumulated amortization. Intangibles are amortized on the straight-line method over the estimated lives or periods of expected benefit, but not in excess of 40 years. Viad evaluates the carrying value of goodwill and other intangible assets at each reporting period for possible impairment in accordance with the provisions of SFAS No. 121 described above.

Pension and Other Benefits. Trusteed, noncontributory pension plans cover substantially all employees, with benefit levels supplemented in most cases by defined matching company stock contributions to employees' 401(k) plans. Defined benefits are based primarily on final average pay and years of service. Funding policies provide that payments to defined benefit pension trusts shall be at least equal to the minimum funding required by applicable regulations. Certain defined pension benefits, primarily those in excess of benefit levels under qualified pension plans, are unfunded.

Viad has unfunded defined benefit postretirement plans that provide medical and life insurance for eligible retirees and dependents. The related postretirement benefit liabilities are recognized over the period that services are provided by employees.

Foreign Currency Translation. In accordance with SFAS No. 52, "Foreign Currency Translation," the assets and liabilities of Viad's foreign subsidiaries are translated into U.S. dollars at exchange rates in effect at the balance sheet date, with resulting unrealized translation gains and losses accumulated in a separate component of common stock and other equity. Income and expense items are converted into U.S. dollars at average rates of exchange prevailing during the year.

Derivatives. Amounts receivable or payable under swap agreements are accrued and recognized as an adjustment to the expense of the related transaction as discussed in Notes I and O of Notes to Consolidated Financial Statements. Gains and losses from foreign exchange forward contracts which hedge identifiable foreign currency commitments are deferred and recognized in income in the same period as the hedged transaction.

Stock-Based Compensation. In October 1995, the Financial Accounting Standards Board ("FASB") issued SFAS No. 123, "Accounting for Stock-Based Compensation." As permitted by SFAS No. 123, Viad uses the intrinsic value method prescribed by APB No. 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for its plans. Accordingly, no compensation expense has been recognized for its stock-based compensation plans other than for performance-based and restricted stock awards and stock appreciation rights. A summary of the pro forma effects on reported income from continuing operations and earnings per share from continuing operations for 1996 and 1995 as if the fair value method of accounting defined in SFAS No. 123 had been applied is included in Note K of Notes to Consolidated Financial Statements.

Sale of Receivables. In June 1996, FASB issued SFAS No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." SFAS No.125 permits sale accounting treatment for transfers of financial assets in which the transferor surrenders control over those assets and consideration other than beneficial interests in the transferred assets is received in exchange. SFAS No. 125 defines the conditions under which a transferor has surrendered control.

Viad currently accounts for the sale of Viad's trade accounts receivables under SFAS No. 77, "Reporting by Transferors for Transfers of Receivables with Recourse." Viad will adopt SFAS No. 125 on January 1, 1997, as required. Sale of trade accounts receivables entered into after December 31, 1996 are expected to be structured in a manner that qualifies for sale accounting under SFAS No. 125. The adoption of SFAS No. 125 is not expected to have a material effect on Viad's financial position or results of operations.

Net Income (Loss) Per Common Share. Net income (loss) per common share is based on net income (loss) after preferred stock dividend requirements and the weighted average number of common shares outstanding during each year after giving effect to stock options considered to be dilutive common stock equivalents. Fully diluted net income (loss) per common share is not materially different from primary net income (loss) per common share. Employee Stock Ownership Plan ("ESOP") shares are treated as outstanding for net income (loss) per share calculations. The average outstanding common and equivalent shares does not include shares held by the Employee Equity Trust (the "Trust"). Shares held by the Trust are not considered outstanding for net income (loss) per share calculations until the shares are released from the Trust.

B. ACQUISITIONS OF BUSINESSES

During 1996, Viad purchased two convention services companies, a travel tour company and the remaining interest in several airline catering joint ventures. Viad also acquired the remaining minority interest in its Canadian tourism business, Brewster Transport Company Limited, in a noncash exchange, as described in Note E of Notes to Consolidated Financial Statements.

During 1995, Viad acquired Giltspur, Inc., an exhibit construction and services company, and several smaller companies.

Also during 1995, Viad acquired all of the common stock of a small payment services company in exchange for approximately 300,000 shares of Viad's common stock. The acquisition was accounted for as a pooling of interests. Prior period financial statements have not been restated, as the results of the acquired company are not significant to the consolidated results of operations. The accompanying financial statements include the accounts and results of operations from the date of acquisition.

During 1994, Viad completed its acquisition of the final eleven of fifteen airline catering kitchens from United Airlines and also acquired several smaller companies.

Except for the pooling of interests transaction described above, the acquisitions were accounted for as purchases. The purchase prices, including acquisition costs, were allocated to the net tangible and intangible assets acquired based on estimated fair values at the dates of the acquisitions. The difference between the purchase prices and the related fair values of net assets acquired represents goodwill. The results of the acquired operations have been included in the Statement of Consolidated Income from the dates of acquisition. The results of operations of the acquired companies from the beginning of the year to the dates of acquisition are not material.

Net cash paid, assets acquired and debt and other liabilities assumed in all acquisitions of businesses accounted for as purchases for the years ended December 31 were as follows:

(000 omitted)	1996	1995	1994
Assets acquired:			
Property and equipment	$ 3,813	$ 17,672	$ 73,494
Intangibles, primarily goodwill (1)	16,620	83,650	67,947
Other assets	9,517	56,354	9,472
Debt and other liabilities assumed	(8,219)	(63,873)	(5,871)
Net cash paid	$ 21,731	$ 93,803	$ 145,042

(1) Excludes additional goodwill of $15,688,000 recorded in 1996 in connection with the acquisition of the remaining minority interest in the Canadian tourism business in a noncash exchange.

C. IMPAIRMENT OF LONG-LIVED ASSETS

In the fourth quarter of 1995, Viad elected the early adoption of SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." The initial application of SFAS No. 121 to long-lived assets held for disposal at January 1, 1995, resulted in a noncash charge of $13,875,000 (net of tax benefit of $8,459,000) and is reported in the Statement of Consolidated Income as a cumulative effect of a change in accounting principle. The charge represents the adjustment required to individually remeasure such assets at the lower of carrying amount or fair value less cost to sell. Long-lived assets held for disposal consist principally of miscellaneous real estate remaining from

businesses previously disposed of by Viad, including former bus terminal properties retained upon disposition of Greyhound Lines, Inc. in 1987, land parcels retained upon the spin-off of FINOVA in 1992, and other nonoperating properties. These assets had a total carrying value of $17,914,000 and $18,452,000 at December 31, 1996 and 1995, respectively. While these assets are being actively marketed, Viad expects that the period of disposal may exceed one year for most of the assets.

D. NONRECURRING ITEMS

On December 31, 1996, Viad sold its 26 percent limited partnership interest in the Phoenix Suns National Basketball Association team for $31,500,000, resulting in a gain of $30,489,000 ($19,025,000 after-tax), after deducting transaction costs and carrying amount of the investment.

As discussed in Note E of Notes to Consolidated Financial Statements, on August 15, 1996, Viad completed the spin-off of its consumer products business. Spin-off costs and management transition expenses totaling $33,000,000 ($28,985,000 after-tax) have been recorded as expenses of continuing operations. In addition, $5,000,000 of such costs, without tax benefit, were allocated to the consumer products business and are classified as discontinued operations expense. These charges are comprised primarily of spin-off transaction costs, professional fees and compensation required by certain former executive officers' employment contracts.

In addition, a gain of $3,477,000 ($2,260,000 after-tax) arising from the curtailment of certain postretirement medical benefits by a Convention Services subsidiary was recorded in 1995.

E. DISCONTINUED OPERATIONS

On August 15, 1996, Viad completed the spin-off of its consumer products business, now conducted under the name The Dial Corporation. In effecting the spin-off, the holders of common stock of Viad received a Distribution (the "Distribution")of one share of common stock of The Dial Corporation for each share of Viad common stock. In conjunction with the spin-off, certain liabilities and deferred income tax assets related primarily to specified pension and postretirement plans of former employees of Armour and Company, which was previously a subsidiary of Viad, were transferred to and assumed by The Dial Corporation. Accordingly, income (loss) from operations of the consumer products business, presented as a discontinued operation, includes expenses arising from such items.

Effective May 31, 1996, shareholders of Greyhound Lines of Canada ("GLOC") voted to separate its intercity bus transportation business and its tourism business into two independent companies. At the same time, GLOC minority shareholders approved an automatic share exchange proposal whereby their ownership interests in the tourism business, aggregating 31.5 percent, were exchanged for Viad's 68.5 percent ownership interest in the intercity bus transportation company such that Viad became the owner of 100 percent of the tourism company, Brewster Transport Company Limited, in exchange for its ownership in the intercity bus transportation company. As a result, the Canadian intercity bus transportation company is presented as a discontinued operation.

In February 1997, Viad's Board of Directors approved plans to dispose of Viad's cruise line business, operated by Premier Cruise Lines. The Star/Ship Majestic, formerly on charter to a European operator, was sold in December 1996, and Viad announced the sale of the Star/Ship Atlantic in January 1997, with closing scheduled for later in the first quarter of 1997.

Revenues applicable to the operations of the discontinued consumer products, Canadian intercity bus transportation and cruise line businesses totaled $998,792,000, $1,598,325,000 and $1,740,250,000 in 1996, 1995 and 1994, respectively. Interest expense of $13,096,000, $20,425,000 and $12,468,000 in 1996, 1995 and 1994, respectively, was allocated to the consumer products business based on the lesser of a) interest on the debt and interest rate swap assumed by The Dial Corporation as described in Note I of Notes to Consolidated Financial Statements or b) the amount of intercompany interest that had historically been charged by Viad on interest-bearing advances based on the prime lending rate. Interest allocated to the intercity bus transportation and cruise line businesses was not material.

The caption "Income (loss) from discontinued operations" in the Statement of Consolidated Income for the years ended December 31 includes the following:

(000 omitted)

	1996	1995	1994

Consumer products business:			
Income (loss) from operations through August 15, 1996, net of tax provision (benefit) of $22,817, $(22,974) and $52,165 (1)	$ 35,620	$ (33,105)	$ 84,031
Spin-off costs and management transition expenses, without tax benefit	(5,000)		
	30,620	(33,105)	84,031
Canadian intercity bus transportation business, net of applicable minority interests:			
Income (loss) from operations through May 31, 1996, net of tax (benefit) provision of $(510), $4,975 and $3,350	(583)	3,954	2,681
Cumulative effect, net of tax provision of $905, to January 1, 1995, of initial application of SFAS No. 121, to Canadian intercity bus transportation assets held for disposal		(3,821)	
Transaction costs, loss on disposition and foreign currency translation losses (2)	(15,866)		
	(16,449)	133	2,681
Cruise line business:			
Loss from operations, net of tax benefit of $174, $23,517 and $3,659 (3)	(70)	(40,493)	(7,574)
Estimated loss on disposal, including provision of $3,000 for operating losses during phase-out period, net of tax benefit of $19,250	(35,750)		
	(35,820)	(40,493)	(7,574)
Provisions related to previously discontinued businesses, net of tax benefit of $10,955 (4)	(19,045)		
Income (loss) from discontinued operations	$ (40,694)	$ (73,465)	$ 79,138

(1) After deducting restructuring charges and asset write-downs of $135,600,000 ($82,100,000 after-tax) in 1995.
(2) Includes spin-off and exchange transaction costs, totaling $1,579,000, associated with the disposition of the Canadian intercity bus transportation business, along with a loss recorded on the disposition of $2,021,000 and recognition of previously unrealized foreign currency translation losses of $12,266,000. The translation losses had previously been deducted from common stock and other equity in accordance with SFAS No. 52.
(3) After deducting asset write-downs of $55,500,000 ($35,100,000 after-tax) in 1995.
(4) Represents additional provisions for self insurance, legal and remediation matters arising from previously discontinued businesses.

F. INVESTMENTS IN DEBT AND EQUITY SECURITIES

Effective January 1, 1994, Viad adopted SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities." SFAS No. 115 requires the classification of securities into one of three categories at acquisition: available for sale, held to maturity, or trading. Viad has no securities classified in the trading category. Securities are included in the Consolidated Balance Sheet under the caption, "Investments restricted for payment service obligations" except for those securities expected to be sold or maturing within one year which are included under the caption, "Funds, agents' receivables and current maturities of investments restricted for payment service obligations."

Although Viad's investment portfolio exposes Viad to certain credit risks, Viad believes the high quality of its investments (all of the investments at December 31, 1996 have ratings of A- or higher or are collateralized by

federal agency securities) reduces this risk substantially. Viad regularly monitors credit and market risk exposures and takes steps to mitigate the likelihood of these exposures resulting in actual loss.

Securities Classified as Available for Sale. Securities that are being held for indefinite periods of time, including those securities which may be sold in response to needs for liquidity or changes in interest rates, are classified as securities available for sale and are carried at fair value, with the net unrealized holding gain or loss, after-tax, reported as a separate component of common stock and other equity, with no effect on current results of operations. The net unrealized gain of $205,000 and $1,456,000 (net of deferred tax liability of $130,000 and $851,000) at December 31, 1996 and 1995, respectively, are included in the Consolidated Balance Sheet as a separate component of common stock and other equity under the caption, "Unrealized gain on securities classified as available for sale." The decrease in the unrealized gain during 1996 was due principally to increases in market interest rates, while the net change during 1995 (from an unrealized loss to an unrealized gain) was due principally to decreases in market interest rates.

A summary of securities classified as available for sale at December 31, 1996 is set forth below:

(000 omitted)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government agencies	$ 9,717	$ --	$ 294	$ 9,423
Obligations of states and political subdivisions	493,829	4,233	2,372	495,690
Corporate debt securities	48,833	2	891	47,944
Mortgage-backed and other asset-backed securities	145,904	183	1,226	144,861
Preferred stock	50,359	937	237	51,059
Securities classified as available for sale	$ 748,642	$ 5,355	$ 5,020	$ 748,977

A summary of securities classified as available for sale at December 31, 1995 is set forth below:

(000 omitted)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government agencies	$ 49,852	$ 366	$ 64	$ 50,154
Obligations of states and political subdivisions	424,860	5,681	1,049	429,492
Corporate debt securities	101,313	1,116	695	101,734
Mortgage-backed and other asset-backed securities	92,478	427	3,180	89,725
Debt securities issued by foreign governments	10,261		61	10,200
Preferred stock	22,379	43	277	22,145
Securities classified as available for sale	$ 701,143	$ 7,633	$ 5,326	$ 703,450

Scheduled maturities of securities classified as available for sale at December 31, 1996 were as follows:

(000 omitted)	Amortized Cost	Fair Value

Due in:		
1997	$ --	$ --
1998-2001	100,060	99,091
2002-2006	197,447	198,771
2007 and later	254,872	255,195
Mortgage-backed and other asset-backed securities	145,904	144,861
Preferred stock	50,359	51,059
	$ 748,642	$ 748,977

Actual maturities may differ from scheduled maturities because the borrowers have the right to call or prepay certain obligations, sometimes without penalties. Maturities of mortgage-backed and other asset-backed securities depend on the repayment characteristics and experience of the underlying obligations.

Gross gains of $3,039,000 and $5,150,000 were realized during 1996 and 1995, respectively. Gross losses of $1,130,000 and $11,000 were realized during 1996 and 1995, respectively. Gross gains and losses are based on the specific identification method of determining cost.

Securities Classified as Held to Maturity. Securities classified as held to maturity, which consist of securities that management has the ability and intent to hold to maturity, are carried at amortized cost, and are summarized as follows at December 31, 1996:

(000 omitted)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government agencies	$ 59,707	$ 3	$ 2,029	$ 57,681
Obligations of states and political subdivisions	206,164	1,917	1,154	206,927
Corporate debt securities	66,491		1,246	65,245
Mortgage-backed and other asset-backed securities	70,515	242	310	70,447
Other securities	3,044		66	2,978
Securities classified as held to maturity	$ 405,921	$ 2,162	$ 4,805	$ 403,278

A summary of securities classified as held to maturity at December 31, 1995, is set forth below:

(000 omitted)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government agencies	$ 27,458	$ 62	$ 98	$ 27,422
Obligations of states and political subdivisions	82,291	1,570	161	83,700
Corporate debt securities	71,919	32	687	71,264
Other securities	8,603	241	44	8,800
Securities classified as held to maturity	$ 190,271	$ 1,905	$ 990	$ 191,186

Scheduled maturities of securities classified as held to maturity at December 31, 1996 were as follows:

(000 omitted)	Amortized Cost	Fair Value
Due in:		
1997	$ 10,619	$ 10,584
1998-2001	69,039	67,837
2002-2006	79,714	77,546
2007 and later	176,034	176,864
Mortgage-backed and other asset-backed securities	70,515	70,447
	$ 405,921	$ 403,278

As mentioned above, actual maturities may differ from scheduled maturities because the borrowers have the right to call or prepay certain obligations, sometimes without penalties. Maturities of mortgage-backed and other asset-backed securities depend on the repayment characteristics and experience of the underlying obligations.

During 1995, Viad's payment services subsidiary sold a $6,846,000 security (amortized cost) classified as held to maturity in response to an issuer's tender offer to call its outstanding bonds. State money order regulations require that defined amounts of securities held by Viad's payment services subsidiary maintain an investment-grade rating to be classified as permissible investments. The security was sold as Viad's payment services subsidiary believed that any remaining investment outstanding after the tender offer would be unrated, thus jeopardizing the security's classification as a permissible investment. The sale was an isolated and unusual event that Viad's payment services subsidiary could not have reasonably anticipated when the security was classified as held to maturity. There was no gain or loss realized on the sale.

A one-time reclassification was made effective December 31, 1995 upon reassessment of the appropriateness of the classifications of all securities held, as permitted by the Financial Accounting Standards Board in its November 1995 "Guide to Implementation of Statement 115 on Accounting for Certain Investments in Debt and Equity Securities." Securities with an amortized cost of $140,884,000 were transferred from securities classified as held to maturity to securities classified as available for sale. The related net unrealized gains on these securities totaling $972,000 (net of deferred taxes of $597,000) are included in the Consolidated Balance Sheet under the caption, "Unrealized gain on securities classified as available for sale," along with net unrealized gains on securities previously classified as available for sale.

There were no other sales or transfers of securities classified as held to maturity during 1996 or 1995.

G. PROPERTY AND EQUIPMENT

Property and equipment at December 31 consisted of the following:

(000 omitted)	1996	1995
Land	$ 53,057	$ 53,907
Buildings and leasehold improvements	300,149	289,216
Machinery and other equipment	505,276	442,260
	858,482	785,383
Less accumulated depreciation	385,443	337,830
Property and equipment	$ 473,039	$ 447,553

H. INTANGIBLES

Intangibles at December 31 consisted of the following:

(000 omitted)	1996	1995
Goodwill	$ 585,468	$ 547,391
Other intangibles	60,054	61,516

	645,522	608,907
Less accumulated amortization	104,896	89,575
Intangibles	$ 540,626	$ 519,332

I. DEBT

Long-term debt at December 31 was as follows:

(000 omitted)	1996	1995
Senior debt: (1)		
Short-term borrowings:		
Commercial paper (net of $90,000 issued to Viad's payment services subsidiary), 5.9% (1995) weighted average interest rate at December 31	$ --	$ 115,888
Promissory notes, 6.4% (1996) and 6.0% (1995) weighted average interest rate at December 31	84,000	261,000
Senior notes, 6.1% (1996) and 6.2% (1995) weighted average interest rate at December 31, due to 2009	314,583	389,519
Guarantee of ESOP debt, floating rate indexed to LIBOR, 4.6% (1996 and 1995) at December 31, due to 2009	26,000	28,000
Real estate mortgages and other obligations, 6.0% (1996) and 6.1% (1995) weighted average interest rate at December 31, due to 2016	19,627	17,967
	444,210	812,374
Subordinated debt, 10.5% debentures, due 2006	76,917	76,917
	521,127	889,291
Less current portion	2,348	77,450
Long-term debt	$ 518,779	$ 811,841

(1) Rates shown are exclusive of the effects of commitment fees and other costs of long-term revolving bank credit used to support short-term borrowings, and exclusive of the effects of interest rate swap agreements on certain short-term and long-term borrowings.

Interest paid in 1996, 1995 and 1994 was approximately $61,402,000, $67,082,000 and $52,271,000, respectively.

In July 1994, a Shelf Registration filed with the Securities and Exchange Commission became effective. Under the Shelf Registration, Viad can issue up to an aggregate $500,000,000 of debt and equity securities. No securities have yet been issued under the program. The Shelf Registration enhances Viad's future financing options.

As discussed further in Note O of Notes to Consolidated Financial Statements, Viad has entered into (a) interest rate swap agreements which convert floating interest rates on existing and anticipated replacement short-term borrowings into fixed interest rates ("variable to fixed swaps") and (b) interest rate swap agreements which convert fixed interest rates on a portion of the Senior notes and other debt into floating interest rates ("fixed to variable swaps"). The net effect of interest rate swap agreements was to increase interest expense by $3,404,000, $4,671,000 and $2,863,000 for 1996, 1995 and 1994, respectively. The weighted average interest rate on total debt, inclusive of the effect of interest rate swap agreements, was 7.8%, 7.2% and 6.5% for 1996, 1995 and 1994, respectively.

In connection with the Distribution as discussed in Notes A and E of Notes to Consolidated Financial Statements, on August 15, 1996, Viad borrowed $280,000,000 under a new $350,000,000 bank credit facility and used the proceeds to repay floating-rate indebtedness of Viad. The credit facility and related liability were then assumed by The Dial Corporation upon the spin-off, thereby transferring that portion of Viad's outstanding indebtedness deemed attributable to The Dial Corporation. In conjunction with the indebtedness transferred to The Dial Corporation, Viad also transferred a variable to fixed swap agreement in the notional amount of

$65,000,000 to The Dial Corporation.

Viad satisfies its short-term borrowing requirements with bank lines of credit and the issuance of commercial paper and promissory notes. At December 31, 1996, outstanding commercial paper and promissory notes are supported by unused commitments under a $400,000,000 long-term revolving bank credit agreement, which expires on August 15, 2001. Annually, at Viad's request and with the participating banks' consent, the term of the agreement may be extended for a further one-year period. The interest rate applicable to borrowings under the $400,000,000 credit commitment is, at Viad's option, indexed to the bank prime rate or the London Interbank Offering Rate ("LIBOR"), plus appropriate spreads over such indices during the period of the credit agreement. The agreement also provides for commitment fees. Such spreads and fees will change moderately should Viad's debt ratings change. Viad, in the event that it becomes advisable, intends to exercise its right under the agreement to borrow for the purpose of refinancing short-term borrowings; accordingly, short-term borrowings totaling $84,000,000 and $376,888,000 at December 31, 1996 and 1995, respectively, have been classified as long-term debt.

Annual maturities of long-term debt due in the next five years will approximate $2,348,000 (1997), $32,461,000 (1998), $17,311,000 (1999), $32,370,000 (2000), $152,092,000 (2001) and $284,545,000 thereafter. Included in the year 2001 is $84,000,000 which represents the maturity of short-term borrowings assuming they had been refinanced utilizing the revolving credit facility through August 15, 2001.

Viad's long-term debt agreements include various restrictive covenants and require the maintenance of certain defined financial ratios with which Viad is in compliance.

J. PREFERRED STOCK AND COMMON STOCK AND OTHER EQUITY

At December 31, 1996, there were 97,108,724 shares of common stock issued and 95,946,006 shares outstanding. At December 31, 1996, a total of 5,670,818 of the outstanding shares were held by Viad's Employee Equity Trust.

Viad has 442,352 shares of $4.75 Preferred Stock authorized, of which 370,352 shares are issued. The holders of the $4.75 Preferred Stock are entitled to a liquidation preference of $100 per share and to annual cumulative sinking fund redemptions of 6,000 shares. Viad presently holds 135,326 shares which will be applied to this sinking fund requirement; the 235,026 shares held by others are scheduled to be redeemed in the years 2019 to 2058. In addition, Viad has authorized 5,000,000 and 2,000,000 shares of Preferred Stock and Junior Participating Preferred Stock, respectively.

Viad has one Preferred Stock Purchase Right ("Right") outstanding on each outstanding share of its common stock. The Rights contain provisions to protect stockholders in the event of an unsolicited attempt to acquire Viad which is not believed by the Board of Directors to be in the best interest of stockholders. The Rights are represented by the common share certificates and are not exercisable or transferable apart from the common stock until such a situation arises. The Rights may be redeemed by Viad at $0.025 per Right prior to the time any person or group has acquired 20% or more of Viad's shares. Viad has reserved 1,000,000 shares of Junior Participating Preferred Stock for issuance in connection with the Rights.

Viad funds a portion of its matching contributions to employees' 401(k) plans through a leveraged ESOP. All eligible employees of Viad and its participating affiliates, other than certain employees covered by collective bargaining agreements that do not expressly provide for participation of such employees in an ESOP, may participate in the ESOP.

The ESOP borrowed $40,000,000 to purchase treasury shares in 1989. The ESOP's obligation to repay this borrowing is guaranteed by Viad; therefore, the unpaid balance of the borrowing ($26,000,000 and $28,000,000 at December 31, 1996 and 1995, respectively) has been reflected in the accompanying balance sheet as long-term debt and the amount representing unearned employee benefits ($25,906,000 and $27,971,000 at December 31,1996 and 1995, respectively) has been recorded as a deduction from common stock and other equity. The liability is reduced as the ESOP repays the borrowing, and the amount in common stock and other equity is reduced as the employee benefits are charged to expense. The ESOP intends to repay the loan (plus interest) using Viad contributions and dividends received on the shares of common stock held by the ESOP. Information regarding ESOP transactions for the years ended December 31 was as follows:

(000 omitted)	1996	1995	1994

Amounts paid by ESOP for:			
Debt repayment	$ 2,000	$ 2,000	$ 2,000
Interest	1,200	1,491	1,161
Amounts received from Viad as:			
Dividends	1,138	1,185	1,218
Contributions	2,064	2,178	1,785

Shares are released for allocation to participants based upon the ratio of the year's principal and interest payments to the sum of the total principal and interest payments expected over the life of the plan. Expense of the ESOP is recognized based upon the greater of cumulative cash payments to the plan or 80% of the cumulative expense that would have been recognized under the shares allocated method, in accordance with Statement of Position 76-3, "Accounting for Certain Employee Stock Ownership Plans" and Emerging Issues Task Force Abstract No. 89-8, "Expense Recognition for Employee Stock Ownership Plans." Under this method, Viad has recorded expense of $2,138,000, $1,817,000 and $1,684,000 in 1996, 1995 and 1994, respectively.

In conjunction with the August 15, 1996, spin-off of Viad's consumer products business, the ESOP received one share of common stock of The Dial Corporation for every share of Viad common stock then held by the ESOP. The ESOP is selling The Dial Corporation shares on the open market and using the proceeds to purchase shares of Viad's common stock.

Unallocated shares held by the ESOP at December 31 were as follows:

	Viad Corp	The Dial Corporation
Unallocated shares at December 31, 1994	1,972,251	
Shares allocated	(164,785)	
Unallocated shares at December 31, 1995	1,807,466	
Shares allocated	(233,933)	
Shares received upon spin-off of the consumer products business		1,735,166
Shares sold in the open market		(671,800)
Shares purchased in the open market	631,500	
Unallocated shares at December 31, 1996	2,205,033	1,063,366

In September 1992, Viad sold 10,491,800 shares of treasury stock to Viad's Employee Equity Trust (the "Trust") for a $200,000,000 promissory note. The Trust is used to fund certain existing employee compensation and benefit plans over the scheduled 15-year term. Through December 31, 1996, the Trust had issued 4,820,982 shares to fund such benefits. For financial reporting purposes, the Trust is consolidated with Viad and the promissory note is eliminated in consolidation. The fair market value of the 5,670,818 remaining shares held by the Trust, representing unearned employee benefits, is shown as a deduction from common stock and other equity and is reduced as employee benefits are funded. All dividends and interest transactions between the Trust and Viad are eliminated. Differences between cost and fair value of shares held and/or released are included in additional capital. Unearned employee benefits at December 31, 1996 and 1995 were $92,860,000 and $186,025,000, respectively.

In conjunction with the spin-off of Viad's consumer products business, The Dial Corporation's newly formed Employee Equity Trust received one share of common stock of The Dial Corporation for every share of Viad common stock held by Viad's Trust. Viad's promissory note was amended such that $53,464,000 of the remaining principal balance ($108,100,000 as of August 15, 1996) was assumed by The Dial Corporation's Employee Equity Trust. The allocation of the promissory note was based on the relative market capitalizations of Viad and The Dial Corporation immediately following the Distribution. At December 31, 1996, the balance of the promissory note due to Viad was $54,636,000.

At December 31, 1996, retained income of $63,450,000 was unrestricted as to payment of dividends by Viad.

K. STOCK-BASED COMPENSATION

Viad's Stock Incentive Plan (the "Plan") provides for the following types of awards to officers, directors and certain key employees: (a) stock options (both incentive stock options and nonqualified stock options), (b) Stock Appreciation Rights ("SARs") and (c) restricted stock, including performance-based stock. The Plan authorizes the issuance of options for up to 2 1/2% of the total number of shares of common stock outstanding as

of the first day of each year; provided that any shares available for grant in a particular calendar year which are not, in fact, granted in such year shall not be added to shares available for grant in any subsequent calendar year. In addition to the limitation set forth above with respect to the number of shares available for grant in any single calendar year, no more than 10,000,000 shares of common stock shall be cumulatively available for grant of incentive options over the life of the Plan. In addition, 1,000,000 shares of Preferred Stock are reserved for distribution under the Plan.

The stock options, SARs and Limited SARs ("LSARs") outstanding at December 31, 1996 are granted for terms of ten years. For stock options and SARs, 50% become exercisable after one year and the balance become exercisable after two years from the date of grant. Stock options and SARs are exercisable based on the market value at the date of grant. LSARs vest fully at date of grant and are exercisable only for a limited period (in the event of certain tenders or exchange offers for Viad's common stock). SARs and/or LSARs are issued in tandem with certain stock options and the exercise of one reduces, to the extent exercised, the number of shares represented by the other(s). SAR exercises totaled 131,520 and 28,852 shares in 1996 and 1994, respectively. There were no SARs exercised in 1995.

In conjunction with the spin-off of Viad's consumer products business, the number of shares and the exercise price of each option, related LSAR and SAR held by employees of Viad who remained employees of Viad after the spin-off were modified so that the aggregate exercise price and the aggregate spread before the spin-off were preserved at the time of the spin-off. Options and related LSARs and SARs held by employees of Viad who became employees of The Dial Corporation were surrendered in accordance with the related agreements.

Restricted stock awards (266,352 shares awarded in 1994 at an estimated fair value per share of $22.44) vest over periods not exceeding five years from date of grant. There were no restricted stock awards in 1996 or 1995 and all awards had vested by August 15, 1996. Performance-based stock awards (141,700, 149,500 and 184,100 shares awarded in 1996, 1995 and 1994, respectively, at an estimated fair value per share of $13.88, $24.56 and $23.00, respectively) vest, based on total shareholder return relative to the applicable stock index and the proxy comparator groups existing at the time of each award, over a three-year period from the date of grant. The performance period for the 1993 performance-based stock award ended during 1996. Shares which vested at the end of the performance period totaled 39,596. Holders of the performance-based and restricted stock have the right to receive dividends and vote the shares but may not sell, assign, transfer, pledge or otherwise encumber the stock. In conjunction with the spin-off of Viad's consumer products business, a holder of unvested performance-based stock was credited with the number of shares of The Dial Corporation common stock equal to the number of shares of Viad common stock awarded. For performance-based stock awards outstanding on the Distribution date, the stock awarded (including shares of The Dial Corporation common stock received in the Distribution) will vest based on the combined performance of Viad and The Dial Corporation shares.

Information with respect to stock options granted and exercised for the years ended December 31, at historical number of shares and option exercise prices, is as follows:

	Shares	Weighted Average Exercise Price
Options outstanding at December 31, 1993	7,766,740	$ 15.83
Granted	1,449,800	22.98
Exercised	(839,124)	14.31
Canceled	(205,728)	19.59
Options outstanding at December 31, 1994 (1)	8,171,688	17.18
Granted	1,378,000	24.57
Exercised	(1,068,428)	15.29
Canceled	(205,336)	21.35
Options outstanding at December 31, 1995 (1)	8,275,924	18.55
Before spin-off of the consumer products business:		
Granted	50,000	28.75
Exercised	(1,488,373)	15.44
Canceled	(159,070)	15.20
Modification due to the Distribution, net (2)	1,968,392	N/A
After spin-off of the consumer products business:		

Granted	1,691,100	13.88
Exercised	(236,229)	9.26
Canceled	(78,837)	12.80
Options outstanding at December 31, 1996 (1)	10,022,907	10.82

(1) Options exercisable totaled 7,580,872 shares, 6,274,649 shares and 6,004,118 shares at December 31, 1996, 1995 and 1994, respectively.
(2) Net of options surrendered by employees of Viad who became employees of The Dial Corporation after the Distribution.

The following tables summarize information concerning stock options outstanding and exercisable at December 31, 1996:

Options Outstanding:

Range of Exercise Prices	Shares	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
$6.16 to $9.00	2,455,215	2.8 years	$ 7.16
$9.01 to $12.00	2,798,169	5.9 years	10.20
$12.01 to $13.88	4,769,523	8.7 years	13.07
$6.16 to $13.88	10,022,907	6.5 years	10.82

Options Exercisable:

Range of Exercise Prices	Shares	Weighted Average Exercise Price
$6.16 to $9.00	2,455,215	$ 7.16
$9.01 to $12.00	2,797,228	10.20
$12.01 to $13.88	2,328,429	12.50
$6.16 to $13.88	7,580,872	9.92

Viad applies APB No. 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for its stock-based compensation plans. Accordingly, no compensation expense has been recognized for its stock-based compensation plans other than for performance-based and restricted stock awards and SAR exercises, which totaled $4,444,000, $3,736,000 and $3,359,000 in 1996, 1995 and 1994, respectively.

In October 1995, FASB issued SFAS No. 123, "Accounting for Stock-Based Compensation." Had Viad elected to recognize compensation cost for stock options and performance-based stock awards in accordance with the fair value method of accounting defined in SFAS No. 123, income from continuing operations and earnings per share from continuing operations would be as presented in the table below. The effects of applying SFAS No. 123 in this disclosure are not indicative of future amounts.

(000 omitted, except per share data)	1996	1995
Income from continuing operations, as reported	$ 69,071	$ 70,781
Additional compensation: (1)		
Stock option grants and performance-based stock awards	(2,876)	(527)
Modification of existing stock option grants (2)	(5,716)	
Pro forma income from continuing operations	$ 60,479	$ 70,254
Pro forma earnings per share from continuing operations	$ 0.65	$ 0.78

(1) Compensation cost calculated under SFAS NO. 123 is expensed ratably over the vesting period. Compensation cost is net of estimated forfeitures and the tax benefit on nonqualified stock options.
(2) In connection with the spin-off of the consumer products business, the number of shares and the exercise price of each option held by employees of Viad who remained employees of Viad after the spin-off were modified so that the aggregate exercise price and the aggregate spread before the spin-off were preserved at the time of the spin-off. SFAS No. 123 requires such options modified as a result of a spin-off to be treated as new grants.

The estimated fair value of stock options granted during 1996 and 1995 was $3.47 and $5.90 per share, respectively. The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	1996	1995
Expected dividend yield	2.3%	2.6%
Expected volatility	22%	22%
Risk-free interest rate	6.38%	6.35%
Expected life	5 years	5 years

L. INCOME TAXES

Deferred income tax assets (liabilities) included in the Consolidated Balance Sheet at December 31 related to the following:

(000 omitted)	1996	1995
Property and equipment	$ (20,203)	$ (26,142)
Pension, compensation and other employee benefits	33,675	21,235
Provisions for losses	35,622	44,465
Deferred state income taxes	4,994	5,158
Other deferred income tax assets	39,711	38,788
Other deferred income tax liabilities	(25,452)	(30,523)
	68,347	52,981
Foreign deferred tax liabilities included above	12,124	14,415
United States deferred tax assets	$ 80,471	$ 67,396

The consolidated provision for income taxes on income from continuing operations for the years ended December 31 consisted of the following:

(000 omitted)	1996	1995	1994
Current:			
United States:			
Federal	$ 19,827	$ 13,363	$ 10,544
State	6,528	1,633	1,460
Foreign	6,858	5,535	4,102
	33,213	20,531	16,106
Deferred	8,685	9,133	13,422
Income taxes	$ 41,898	$ 29,664	$ 29,528

Certain tax benefits related primarily to stock option exercises and dividends paid to the ESOP are credited to common stock and other equity and amounted to $3,401,000, $2,536,000 and $1,939,000 in 1996, 1995 and

1994, respectively.

Eligible subsidiaries (including The Dial Corporation up to the spin-off date) are included in the consolidated federal and other applicable income tax returns of Viad. Certain benefits of tax losses and credits, which would not have been currently available to certain subsidiaries or The Dial Corporation on a separate return basis, have been credited to those subsidiaries or The Dial Corporation by Viad. These benefits are included in the determination of the income taxes of those subsidiaries and The Dial Corporation and this policy has been documented by written agreements where appropriate.

Income taxes paid in 1996, 1995 and 1994, including amounts paid on behalf of The Dial Corporation as part of consolidated federal and other applicable tax returns of Viad, amounted to $19,792,000, $21,502,000 and $58,643,000, respectively.

A reconciliation of the provision for income taxes on income from continuing operations and the amount that would be computed using statutory federal income tax rates for the years ended December 31 was as follows:

(000 omitted)	1996	1995	1994
Computed income taxes at statutory federal income tax rate of 35%	$ 38,839	$ 35,156	$ 31,745
Nondeductible goodwill amortization	3,937	2,988	3,529
Minority interests	613	920	798
State income taxes	5,636	1,685	1,588
Tax-exempt income	(13,968)	(10,400)	(5,133)
Spin-off costs and management transition expenses	6,300		
Other, net	541	(685)	(2,999)
Income taxes	$ 41,898	$ 29,664	$ 29,528

United States and foreign income before income taxes from continuing operations for the years ended December 31 was as follows:

(000 omitted)	1996	1995	1994
United States	$ 88,819	$ 82,271	$ 76,862
Foreign	22,150	18,174	13,839
Income before income taxes	$ 110,969	$ 100,445	$ 90,701

M. PENSION AND OTHER BENEFITS

In conjunction with the spin-off of Viad's consumer products business described in Notes A and E of Notes to Consolidated Financial Statements, certain liabilities and deferred income tax assets related to specified pension and postretirement plans of former employees of Armour and Company, which was previously a subsidiary of Viad, were transferred to and assumed by The Dial Corporation. Data related to such plans have been excluded from the information presented below.

Pension Benefits. Continuing operations net periodic pension cost for the years ended December 31 included the following components:

(000 omitted)	1996	1995	1994
Service cost benefits earned during the period	$ 6,341	$ 5,614	$ 6,407
Interest cost on projected benefit obligation	12,757	11,191	10,284
Actual return on plan assets	(15,045)	(23,200)	(1,322)
Net amortization and deferral	2,345	10,695	(10,547)

Other items, primarily defined contribution and multiemployer plans	12,478	11,841	9,490
Net pension cost	$ 18,876	$ 16,141	$ 14,312

Weighted average assumptions used were:

December 31,	1996	1995	1994
Discount rate for obligation	8.0%	8.0%	8.5%
Rate of increase in compensation levels	5.0%	5.0%	5.0%
Long-term rate of return on assets	9.5%	9.5%	9.5%

The following table indicates the plans' funded status and amounts recognized in Viad's Consolidated Balance Sheet at December 31:

	Overfunded Plans (Assets Exceed Accumulated Benefits)		Unfunded Plans	
(000 omitted)	1996	1995	1996	1995
Actuarial present value of benefit obligations:				
Vested benefit obligation	$ 123,265	$ 111,567	$ 19,330	$ 16,023
Accumulated benefit obligation	$ 130,015	$ 118,041	$ 19,889	$ 16,559
Projected benefit obligation	$ 148,997	$ 137,960	$ 24,818	$ 22,119
Market value of plan assets, primarily equity and fixed income securities	152,907	143,955		
Plan assets over (under) projected benefit obligation	3,910	5,995	(24,818)	(22,119)
Unrecognized transition (asset) obligation	(3,940)	(4,837)	1,143	1,419
Unrecognized prior service cost	381	406	5,931	4,268
Unrecognized net loss	4,263	4,946	3,947	4,533
Additional minimum liability			(6,600)	(5,617)
Prepaid (accrued) pension cost	$ 4,614	$ 6,510	$ (20,397)	$ (17,516)

Postretirement Benefits Other than Pensions. Viad and its subsidiaries have unfunded defined benefit postretirement plans that provide medical and life insurance for eligible employees, retirees and dependents. In addition, Viad retained the obligations for such benefits for eligible retirees of Greyhound Lines, Inc. (sold in 1987).

The status of the plans as of December 31 was as follows:

(000 omitted)	1996	1995
Accumulated postretirement benefit obligation:		
Retirees	$ 27,304	$ 27,959

Fully eligible active plan participants	5,096	5,452
Other active plan participants	8,759	8,742
Accumulated postretirement benefit obligation	41,159	42,153
Unrecognized prior service reduction	1,201	1,287
Unrecognized net gain	7,424	4,642
Accrued postretirement benefit cost	$ 49,784	$ 48,082
Discount rate for obligation	8.0%	8.0%

The assumed health care cost trend rate used in measuring the 1996 and 1995 accumulated postretirement benefit obligation was 11% and 12%, respectively, gradually declining to 5% by the year 2002 and remaining at that level thereafter for retirees below age 65, and 8% and 8.5%, respectively, gradually declining to 5% by the year 2002 and remaining at that level thereafter for retirees above age 65.

A one-percentage-point increase in the assumed health care cost trend rate for each year would increase the accumulated postretirement benefit obligation as of December 31, 1996 by approximately 11% and the ongoing annual expense by approximately 13%.

The net periodic postretirement benefit cost for the years ended December 31 includes the following components:

(000 omitted)	1996	1995	1994
Service cost benefits earned during the period	$ 794	$ 1,061	$ 1,793
Interest cost on accumulated postretirement benefit obligation	2,936	3,415	3,776
Net amortization and deferral	(538)	(154)	3
Net periodic postretirement benefit cost	$ 3,192	$ 4,322	$ 5,572
Curtailment gains due to termination of certain benefits	$ --	$ 3,477	$ 500

N. LEASES

Certain retail facilities, plants, offices and equipment are leased. The leases expire in periods ranging from one to 50 years and some provide for renewal options ranging from one to 36 years. Leases which expire are generally renewed or replaced by similar leases.

At December 31, 1996, Viad's future minimum rental payments and related sublease rentals receivable with respect to noncancelable operating leases with terms in excess of one year were as follows:

(000 omitted)	Rental Payments	Rentals Receivable Under Subleases
1997	$ 48,360	$ 2,139
1998	42,633	1,120
1999	37,103	834
2000	26,932	536
2001	20,735	378
Thereafter	166,031	904
Total	$ 341,794	$ 5,911

At the end of the lease term, Viad has an option to purchase a certain leased asset for a purchase price of $14,200,000. If the purchase option is not exercised, Viad will make a residual guarantee payment of $10,500,000 which is refundable to the extent that the lessor's subsequent sales proceeds exceed certain levels.

Information regarding net operating lease rentals for the years ended December 31 was as follows:

(000 omitted)	1996	1995	1994
Minimum rentals	$ 60,522	$ 57,131	$ 52,481
Contingent rentals (1)	887	2,898	7,434
Sublease rentals	(2,025)	(2,947)	(1,974)
Total rentals, net	$ 59,384	$ 57,082	$ 57,941

(1) Contingent rentals on operating leases are based primarily on sales and revenues for buildings and leasehold improvements and on usage for other equipment. Does not include contingent fees under concession agreements.

Net operating lease rentals and future minimum rental payments do not include a minimum annual guarantee of $9,600,000, subject to adjustment under certain circumstances, from 1996 through 2000 under an airport duty-free concession agreement.

O. FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Instruments with Off-Balance-Sheet Risk. Viad is a party to financial instruments with off-balance-sheet risk which are entered into in the normal course of business to meet its financing needs and to manage its exposure to fluctuations in interest rates and foreign exchange rates. These financial instruments include a revolving sale of receivables agreement, interest rate swap agreements and foreign exchange forward contracts. The instruments involve, to a varying degree, elements of credit, market, interest rate and exchange rate risk in addition to amounts recognized in the financial statements. Viad does not hold or issue financial instruments for trading purposes.

At December 31, 1996, Viad had an agreement to sell on a revolving basis undivided participating interests in a defined pool of trade accounts receivable from customers of Viad's airline catering and services and convention services subsidiaries in an amount not to exceed $75,000,000 as a means of accelerating cash flow. The agreement expires in August 1997 but is expected to be extended annually. Viad's expense of selling receivables amounted to approximately $3,029,000, $2,157,000 and $1,000,000 in 1996, 1995 and 1994, respectively. During the third quarter of 1996, Viad reclassified expenses related to the receivables sales program from Costs of sales and services for the segment, to Unallocated corporate expense and other items, net. Total operating income remained unchanged. This reclassification was made to improve comparability with other companies.

Under the terms of the receivables sales agreement, Viad has retained substantially the same risk of credit loss as if the receivables had not been sold as Viad is obligated to replace uncollectible receivables with new accounts receivable. The accounts receivable sold totaled $75,000,000 and $60,797,000 at December 31, 1996 and December 31, 1995, respectively. The average balance of proceeds from the sale of accounts receivable approximated $51,500,000, $31,600,000 and $22,000,000 during 1996, 1995 and 1994, respectively.

Viad enters into interest rate swap agreements as a means of managing its interest rate exposure. The agreements are contracts to exchange fixed and floating interest rate payments periodically over the life of the agreements without the exchange of the underlying notional amounts. The notional amounts of such agreements are used to measure amounts to be paid or received and do not represent the amount of exposure to credit loss. The amounts to be paid or received under the interest rate swap agreements are accrued consistently with the terms of the agreements and market interest rates. Viad maintains formal procedures for entering into interest rate swap transactions, and management regularly monitors and reports to the Audit Committee of the Board of Directors on interest rate swap activity. The agreements are with major financial institutions which are currently expected to fully perform under the terms of the agreements, thereby mitigating the credit risk from the transactions in the event of nonperformance by the counterparties. In addition, Viad continuously monitors the credit ratings of the counterparties, and the likelihood of default is considered remote.

In addition to the types of interest rate swap agreements used as hedges of obligations as described in Note I of Notes to Consolidated Financial Statements, Viad's payment services subsidiary has entered into swap agreements to mitigate fluctuations in commissions paid to selling agents

of its official check program.

The following table indicates the types of swap agreements and their weighted average pay/receive rates in effect at December 31. The variable-rate portion of the swaps is generally based on LIBOR. Changes in LIBOR rates could significantly affect the floating-rate information and future cash flows.

	1996	1995
Variable to fixed swaps: (1)		
Notional amount (000 omitted)	$ 557,600	$ 307,600
Average pay rate (2)	6.7%	6.5%
Average receive rate	5.6%	5.8%
Fixed to variable swaps: (1)		
Notional amount (000 omitted)	$ 245,000	$ 245,000
Average pay rate	5.7%	5.7%
Average receive rate	5.7%	5.7%
Variable to variable swap: (1)		
Notional amount (000 omitted)	$ 75,000	$ 75,000
Average pay rate	5.2%	5.1%
Average receive rate	5.8%	4.8%

(1) The variable to fixed swap agreements expire as follows: $240,000,000 (1998), $150,000,000 (1999) and $167,600,000 (2000). The fixed to variable swap agreements expire as follows: $15,000,000 (1997), $30,000,000 (2002) and $200,000,000 (2003). The variable to variable swap agreement expires in 1998.
(2) The average pay rate has been adjusted to reflect the amortization of cash consideration received at inception of certain of the swap agreements in exchange for Viad's payment of an "off-market" fixed rate.

Viad also enters into foreign exchange forward contracts to hedge identifiable foreign currency commitments including intercompany transactions with Viad's foreign subsidiaries. These contracts are purchased to reduce the impact of foreign currency fluctuations on operating results. Viad does not engage in foreign currency speculation. While the hedging instruments are subject to the risk of loss from changes in exchange rates, these losses would generally be offset by gains on the exposures being hedged. Gains and losses on those hedging instruments that are designated and effective as hedges of firmly committed foreign currency transactions are deferred and recognized in income in the same period as the hedged transaction. Viad's theoretical risk in these transactions is the cost of replacing, at current market rates, these contracts in the event of default by the other party. Management believes the risk of incurring such losses is remote as the contracts are entered into with major financial institutions.

The following table summarizes by major currency the contractual amounts (stated in U.S. dollar equivalent) to purchase and sell foreign currencies at December 31, 1996. The contracts mature through February 1998, with 47% of the purchase contracts expiring in January 1997.

(000 omitted)	Purchase	Sell
Canadian dollar	$ 56,353	$ --
Italian lira	34,725	
French franc	26,728	219
Austrian schilling	22,427	
British pound	15,850	29,958
Other	14,351	1,354
	$ 170,434	$ 31,531

Fair Value of Financial Instruments. The following disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of SFAS No. 107, "Disclosures About Fair Value of Financial Instruments." The estimated fair value amounts have been determined by Viad using available market information and the valuation methodologies described below. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein may not be indicative of the amounts that Viad could realize in a current market exchange. The use of

different market assumptions or valuation methodologies may have a material effect on the estimated fair value amounts.

The carrying values of cash and cash equivalents, receivables, accounts payable and payment service obligations approximate fair values due to the short-term maturities of these instruments. The amortized cost and fair value of investments in debt and equity securities are disclosed in Note F of Notes to Consolidated Financial Statements. The carrying amounts and estimated fair values of Viad's other financial instruments at December 31 are as follows:

	1996		1995	
(000 omitted)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Total debt	$ (521,127)	$ (528,306)	$ (889,291)	$ (913,322)
Interest rate swaps (1)	(5,546)	(24,169)	(11,820)	(32,731)
Foreign exchange forward contracts (2)	--	(12,694)	--	2,680

(1) Carrying amount represents accrued interest and unamortized cash proceeds.
(2) Expected to be offset in 1997 by gains on the currency exposures being hedged.

The methods and assumptions used to estimate the fair values of the financial instruments are summarized as follows:

Debt--The fair value of debt was estimated by discounting the future cash flows using rates currently available for debt of similar terms and maturity. The carrying values of commercial paper and promissory notes were assumed to approximate fair values due to their short-term maturities.

Interest rate swaps--The fair values were estimated by discounting the expected cash flows using rates currently available for interest rate swaps of similar terms and maturities. The fair value represents the estimated amount that Viad would pay to the dealer to terminate the swap agreement at December 31.

Foreign exchange forward contracts--The fair value is estimated using quoted exchange rates of these or similar instruments.

P. LITIGATION AND CLAIMS

Several shareholder derivative complaints were filed in the Delaware Court of Chancery in late December 1995 and early January 1996 against members of Viad's Board of Directors, and against Viad as a nominal defendant. The complaints variously allege fraud, negligence, mismanagement, corporate waste, breaches of fiduciary duty, and seek equitable relief and recovery from or on behalf of Viad for compensatory and other damages incurred by Viad as a result of alleged payment of excessive compensation, improper investments or other improper activities. Viad and its counsel believe the claims are without merit. In addition, Viad and certain subsidiaries are plaintiffs or defendants to various other actions, proceedings and pending claims, including multiple lawsuits filed by several hundred former railroad workers claiming asbestos-related health conditions from exposure to railroad equipment made by former subsidiaries. Certain of these pending legal actions are or purport to be class actions. Some of the foregoing involve, or may involve, compensatory, punitive or other damages. Litigation is subject to many uncertainties and it is possible that some of the legal actions, proceedings or claims referred to above could be decided against Viad. Although the amount of liability at December 31, 1996, with respect to these matters is not ascertainable, Viad believes that any resulting liability will not materially affect Viad's financial position or results of operations.

Viad is subject to various environmental laws and regulations of the United States as well as of the states and other countries in whose jurisdictions Viad has or had operations and is subject to certain international agreements. As is the case with many companies, Viad faces exposure to actual or potential claims and lawsuits involving environmental matters. Although Viad is a party to certain environmental disputes, Viad believes that any liabilities resulting therefrom, after taking into consideration amounts already provided for, but exclusive of any potential insurance recoveries, will not have a material adverse effect on Viad's financial position or results of operations.

Q. PRINCIPAL BUSINESS SEGMENTS

Description of Business. Viad operates in three principal business segments. Viad's Airline Catering and Services segment engages in airline catering operations, providing in-flight meals to domestic and international airlines as well as providing airplane fueling and ground handling services. The Convention Services segment provides decorating, exhibit preparation, installation, electrical, transportation and management services for conventions and tradeshows and is a designer and builder of convention and other exhibits and displays. Viad's Travel and Leisure and Payment Services segment offers money orders throughout the nation and performs official check and negotiable instrument clearing services for banks and credit unions; operates duty-free airport and shipboard concessions and contract foodservice facilities; and engages in certain hotel/lodge operations and recreation and travel services.

Year ended December 31, (000 omitted)	1996	1995	1994	1993	1992
Revenues:					
Airline Catering and Services	$ 857,953	$ 800,338	$ 763,658	$ 502,775	$ 527,832
Convention Services	774,040	588,978	522,683	356,267	238,694
Travel and Leisure and Payment Services (1)	631,235	587,429	520,256	478,898	574,219
	$2,263,228	$1,976,745	$1,806,597	$1,337,940	$1,340,745
Operating Income: (2)					
Airline Catering and Services (3)	$ 74,254	$ 68,712	$ 62,533	$ 41,989	$ 41,391
Convention Services (4)	64,508	54,593	50,614	27,849	20,281
Travel and Leisure and Payment Services (1)(4)	65,620	66,020	60,674	60,248	40,453
Total principal business segments	204,382	189,325	173,821	130,086	102,125
Unallocated corporate expense and other items, net (3)	(36,131)	(33,354)	(33,594)	(30,314)	(23,979)
	$ 168,251	$ 155,971	$ 140,227	$ 99,772	$ 78,146

(1) Viad's payment services subsidiary is investing increasing amounts in tax-exempt securities. On a fully taxable equivalent basis, revenues and operating income would be higher by $21,489,000, $16,000,000, $7,897,000, $3,967,000 and $982,000 for 1996, 1995, 1994, 1993 and 1992, respectively.
(2) Operating income by segment represents Revenues less Costs of sales and services. Unallocated corporate and other items, net, are then deducted from total operating income of principal business segments to arrive at total operating income.
(3) As described in Note O of Notes to Consolidated Financial Statements, during the third quarter of 1996, Viad reclassified expenses related to its receivables sales program from Costs of sales and services to Unallocated corporate expense and other items, net. As a result, operating income of the Airline Catering and Services segment and unallocated corporate expense increased by approximately $2,157,000, $1,000,000, $604,000 and $608,000 for 1995, 1994, 1993 and 1992, respectively. Total operating income remained unchanged.
(4) Includes a nonrecurring gain of $3,477,000 due to the curtailment of certain postretirement medical benefits in the Convention Services segment in 1995. After deducting restructuring and other charges of $20,000,000 for Travel and Leisure and Payment Services in 1992.

Major Customers. Major customers are defined as those which individually accounted for more than 10% of Viad's revenues. Sales to one major customer in the Airline Catering and Services segment accounted for 13%, 14% and 13% of Viad's consolidated revenues in 1996, 1995 and 1994, respectively.

	Principal Business Segments					
(000 omitted)	Airline Catering and Services	Convention Services	Travel and Leisure and Payment Services	Subtotal	Corporate	Total
1996:						
Assets at year end:						
Before intangibles, restricted assets and investment in discontinued operation	$ 237,957	$ 215,241	$ 303,487	$ 756,685	$ 243,506	$1,000,191
Assets restricted for payment service obligations			1,814,537	1,814,537		1,814,537
Investment in discontinued operation					97,958	97,958
Intangibles	275,387	197,613	64,099	537,099	3,527	540,626
	$ 513,344	$ 412,854	$2,182,123	$3,108,321	$ 344,991	$3,453,312
Capital expenditures	$ 26,814	$ 25,258	$ 24,795	$ 76,867	$ 5,282	$ 82,149

Depreciation and amortization:						
Depreciation	$ 21,706	$ 13,599	$ 17,658	$ 52,963	$ 5,492	$ 58,455
Amortization of intangibles	8,702	4,541	2,746	15,989		15,989
	$ 30,408	$ 18,140	$ 20,404	$ 68,952	$ 5,492	$ 74,444
1995:						
Assets at year end:						
Before intangibles, restricted assets and investments in discontinued operations	$ 212,887	$ 198,209	$ 304,585	$ 715,681	$ 189,682	$ 905,363
Assets restricted for payment service obligations			1,666,116	1,666,116		1,666,116
Investments in discontinued operations					625,737	625,737
Intangibles	282,599	186,298	46,185	515,082	4,250	519,332
	$ 495,486	$ 384,507	$2,016,886	$2,896,879	$ 819,669	$3,716,548
Capital expenditures	$ 15,185	$ 15,035	$ 27,369	$ 57,589	$ 1,996	$ 59,585
Depreciation and amortization:						
Depreciation	$ 21,461	$ 10,306	$ 16,991	$ 48,758	$ 5,242	$ 54,000
Amortization of intangibles	8,775	3,706	2,391	14,872		14,872
	$ 30,236	$ 14,012	$ 19,382	$ 63,630	$ 5,242	$ 68,872
1994:						
Assets at year end:						
Before intangibles, restricted assets and investments in discontinued operations	$ 231,417	$ 127,191	$ 280,868	$ 639,476	$ 205,002	$ 844,478
Assets restricted for payment service obligations			1,339,802	1,339,802		1,339,802
Investments in discontinued operations					598,344	598,344
Intangibles	291,337	112,870	36,486	440,693	4,766	445,459
	$ 522,754	$ 240,061	$1,657,156	$2,419,971	$ 808,112	$3,228,083
Capital expenditures	$ 22,214	$ 11,415	$ 18,481	$ 52,110	$ 2,879	$ 54,989
Depreciation and amortization:						
Depreciation	$ 20,125	$ 8,370	$ 16,542	$ 45,037	$ 4,982	$ 50,019
Amortization of intangibles	8,362	2,748	1,556	12,666		12,666
	$ 28,487	$ 11,118	$ 18,098	$ 57,703	$ 4,982	$ 62,685

R. CONDENSED CONSOLIDATED QUARTERLY RESULTS (UNAUDITED)

	First Quarter		Second Quarter	
(000 omitted)	1996	1995	1996	1995
Revenues:				
Airline Catering and Services	$ 193,263	$ 184,456	$ 214,719	$ 206,509
Convention Services	195,012	154,397	192,904	131,588
Travel and Leisure and Payment Services (1)	143,448	131,112	160,405	141,044
	$ 531,723	$ 469,965	$ 568,028	$ 479,141
Operating income:				
Airline Catering and Services (2)	$ 12,305	$ 11,437	$ 19,974	$ 18,592
Convention Services(3)	17,134	15,001	18,669	16,629
Travel and Leisure and Payment Services (1)	6,023	9,242	15,448	15,734
Total principal business segments	35,462	35,680	54,091	50,955
Unallocated corporate expense and other items, net (2)	(9,541)	(9,290)	(9,382)	(8,329)
	$ 25,921	$ 26,390	$ 44,709	$ 42,626
Income (loss):				
Continuing operations (3)(4)	$ 8,512	$ 8,429	$ 9,006	$ 20,505
Discontinued operations	15,982	9,257	5,112	26,961
Income (loss) before cumulative effect of change in accounting principle	24,494	17,686	14,118	47,466
Cumulative effect of change in accounting principle (5)		(13,875)		
Net income (loss)	$ 24,494	$ 3,811	$ 14,118	$ 47,466
Income (loss) per common share (dollars):				
Continuing operations (3)(4)	$ 0.09	$ 0.09	$ 0.10	$ 0.23
Discontinued operations	0.18	0.11	0.05	0.31
Income (loss) before cumulative effect of change in accounting principle	0.27	0.20	0.15	0.54
Cumulative effect of change in accounting principle (5)		(0.16)		
Net income (loss) per common share	$ 0.27	$ 0.04	$ 0.15	$ 0.54

	Third Quarter		Fourth Quarter	
(000 omitted)	1996	1995	1996	1995
Revenues:				
Airline Catering and Services	$ 225,712	$ 212,951	$ 224,259	$ 196,422
Convention Services	191,591	130,302	194,533	172,691
Travel and Leisure and Payment Services (1)	180,987	174,320	146,395	140,953
	$ 598,290	$ 517,573	$ 565,187	$ 510,066

Operating income:				
Airline Catering and Services (2)	$ 22,712	$ 21,029	$ 19,263	$ 17,654
Convention Services (3)	12,956	9,896	15,749	13,067
Travel and Leisure and Payment Services (1)	28,084	27,851	16,065	13,193
Total principal business segments	63,752	58,776	51,077	43,914
Unallocated corporate expense and other items, net (2)	(8,143)	(6,839)	(9,065)	(8,896)
	$ 55,609	$ 51,937	$ 42,012	$ 35,018
Income (loss):				
Continuing operations (3)(4)	$ 25,089	$ 23,724	$ 26,464	$ 18,123
Discontinued operations	(4,667)	(113,461)	(57,121)	3,778
Income (loss) before cumulative effect of change in accounting principle	20,422	(89,737)	(30,657)	21,901
Cumulative effect of change in accounting principle (5)				
Net income (loss)	$ 20,422	$ (89,737)	$ (30,657)	$ 21,901
Income (loss) per common share (dollars):				
Continuing operations (3)(4)	$ 0.27	$ 0.27	$ 0.28	$ 0.20
Discontinued operations	(0.05)	(1.29)	(0.62)	0.04
Income (loss) before cumulative effect of change in accounting principle	0.22	(1.02)	(0.34)	0.24
Cumulative effect of change in accounting principle (5)				
Net income (loss) per common share	$ 0.22	$ (1.02)	$ (0.34)	$ 0.24

(1) Viad's payment services subsidiary is investing increasing amounts in tax-exempt securities. On a fully taxable equivalent basis, revenues and operating income would be higher by the following amounts:

	1996	1995
First Quarter	$4,355,000	$3,443,000
Second Quarter	4,672,000	3,929,000
Third Quarter	6,136,000	4,129,000
Fourth Quarter	6,326,000	4,499,000

(2) As described in Note O of Notes to Consolidated Financial Statements, during the third quarter of 1996, Viad reclassified expenses related to its receivables sales program from Costs of sales and services to Unallocated corporate expense and other items, net. As a result, operating income of the Airline Catering and Services segment and unallocated corporate expense increased by approximately $514,000 and $496,000 in the 1996 first and second quarters, respectively, and by approximately $411,000, $660,000, $530,000 and $556,000 for the 1995 first, second, third and fourth quarters, respectively. Total operating income remained unchanged.

(3) Includes a nonrecurring gain of $3,477,000 ($2,260,000 after-tax), or $0.03 per share, due to the curtailment of certain postretirement medical benefits in the second quarter of 1995 (see Note D of Notes to Consolidated Financial Statements).

(4) Includes gain on sale of interest in the Phoenix Suns of $19,025,000 (after-tax), or $0.21 per share, in the fourth quarter of 1996. Also includes spin-off costs and management transition expenses of $12,000,000 (after-tax), or $0.13 per share, $3,000,000 (after-tax), or $0.03 per share, and $13,985,000 (after-tax), or $0.16 per share, in the second, third and fourth quarters of 1996, respectively (see Note D of Notes to Consolidated Financial Statements).

(5) Initial application of SFAS No. 121 (see Note C of Notes to Consolidated Financial Statements).

Exhibit 21

VIAD CORP
(DELAWARE)
Active and Inactive (I) Subsidiaries and Affiliates*
as of December 31, 1996

AIRLINE CATERING & SERVICES GROUP

AIRCRAFT SERVICE INTERNATIONAL, INC. (Delaware)
- ASII Holding GmbH (Germany)

Bahamas Airport Services Limited (Bahama)
- Freeport Flight Services Limited (Bahama)

Dispatch Services, Inc. (Florida)
Florida Aviation Fueling Company, Inc. (Florida)
Greyhound-Dobbs Incorporated (Delaware)
- Carson International Inc. (Delaware)+
- Dobbs Houses, Inc. (Delaware)+
- DOBBS INTERNATIONAL SERVICES, INC. (Delaware)
  - Dobbs Houses International, Inc. (Delaware)

CONVENTION SERVICES GROUP

EXG, Inc. (Delaware)
- Giltspur Exhibits of Canada, Inc. (Ontario)

David H. Gibson Company, Inc. (Texas)
Longchamp International Inc. (Delaware)
GES EXPOSITION SERVICES, INC. (Nevada)
- Concourse Graphics, Inc. (Delaware)
- Expo-Tech Electrical & Plumbing Services, Inc. (California)
- Shows Unlimited, Inc. (Nevada)
- United Exposition Service Redevelopment Corporation (Missouri)

Las Vegas Convention Service Co. (Nevada)
Panex Show Services Ltd. (Canada)
- Exposervice Standard Inc. (Canada)
  - Clarkson-Conway Inc. (Canada)
- Stampede Display and Convention Services Ltd. (Alberta)

CORPORATE AND OTHER

The Dial Corp (International) (Arizona)
Essex Place Inc. (Arizona)
GCMC Inc. (Arizona)
- Grey Gateway Realty Corporation (Arizona)
- GRT Inc. (Arizona)

Viad Realty Corporation (Arizona)
- Greyhound Realty of Texas Inc. (Texas)

TRAVEL & LEISURE & PAYMENT SERVICES GROUP

Crystal Holidays, Inc. (Colorado)
Faber Enterprises, Inc. (Delaware)
- Faber Drug Co., Inc. (Illinois) (70%)
- Franklin Ventures, Inc. (Illinois)

GREYHOUND LEISURE SERVICES, INC. (Florida)
- European Cruise Shops Limited (Cayman Islands) (51%)
- Greyhound-ANA Venture Company (Florida) (51%)
- International Cruise Shops, Ltd. (Cayman Islands)

Greyhound Support Services, Inc. (Delaware) (I)
- Greyhound Maintenance, Inc. (Arizona)

Greyhound World Travel GmbH (Germany)
JETSAVE INC. (Florida)
RESTAURA, INC. (Michigan)
- Glacier Park, Inc. (Arizona) (80%)
  - Waterton Transport Company, Limited (Alberta)

TRANSPORTATION LEASING CO. (California)~~
- GCCP, Inc. (Delaware)~~
- Greyhound Canada Holdings, Inc. (Alberta)~~
  - The Dial Corporation (Canada) Ltd. (Alberta)~~
  - Brewster Tours Inc. (Canada)
    - BREWSTER TRANSPORT COMPANY LIMITED (Alberta)
      - Cascade Holdings (Banff) Inc. (Alberta)

TRAVELERS EXPRESS COMPANY, INC. (Minnesota)
- CAG Inc. (Nevada)
- FSMC, Inc. (Minnesota)
- Moneyline Express, Inc. (Wisconsin)
- RM/BS GP Inc. (Minnesota)
- Travelers Express Co. (P.R.) Inc. (Puerto Rico)

Viad Service Companies Limited (United Kingdom)
- Aircraft Service Limited (United Kingdom)#

Crystal Holidays, Limited (United Kingdom)
Crystal Dial Limited (United Kingdom)
Guernsey Travel Service Limited (United Kingdom)
Jersey Travel Service Limited (United Kingdom)
Seejersey Limited (United Kingdom)
Dobbs International (U.K.) Limited (United Kingdom)#
Charles Grimsey Associates Limited (United Kingdom)
Greyhound World Travel Limited (United Kingdom)
Irish Group Travel Limited (Ireland)
Jetsave Limited (United Kingdom)
Airborne Travel (Holdings) Limited (United Kingdom)
Tropical Places Limited (United Kingdom)
American Holidays (N.I.) Limited (Northern Ireland)
Jetsave Transatlantic Limited (United Kingdom)

# Indicates an Airline Catering & Services Group Subsidiary
~~ Indicates a Corporate and Other Subsidiary
+ Indicates a Travel & Leisure & Payment Services Group Subsidiary

* Parent-subsidiary or affiliate relationships are shown by marginal indentation. State, province or country of incorporation and ownership percentage are shown in parentheses following name, except that no ownership percentage appears for subsidiaries owned 100% (in the aggregate) by Viad Corp. List does not include companies in which the aggregate direct and indirect interest of Viad Corp is 50% or less.

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

To the Board of Directors
Viad Corp
Phoenix, Arizona

We consent to the incorporation by reference in Registration Statement Nos. 33-41870, 33-57630, 33-64493, 33-56531 on Form S-8 and Nos. 33-54465, 333-06357, 33-55360, 33-64495 on form S-3 of Viad Corp (formerly named The Dial Corp), of our report dated February 21, 1997, appearing in this Annual Report on Form 10-K of Viad Corp for the year ended December 31, 1996.

/s/ DELOITTE & TOUCHE LLP
Phoenix, Arizona

March 25, 1997

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each director whose signature appears below constitutes and appoints Richard C. Stephan and Robert H. Bohannon, and each of them severally, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the Form 10-K Annual Report of Viad Corp for the fiscal year ended December 31, 1996, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection herewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them, or their or his or her substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

/s/ Jess Hay	February 20, 1997
/s/ Judith K. Hofer	February 20, 1997
/s/ Jack F. Reichert	February 20, 1997
/s/ Linda Johnson Rice	February 20, 1997
/s/ Douglas L. Rock	February 20, 1997
/s/ John W. Teets	February 20, 1997
/s/ Timothy R. Wallace	February 20, 1997

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL
INFORMATION EXTRACTED FROM VIAD CORP'S
FORM 10-K FOR THE YEAR ENDED DECEMBER 31,
1996 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

Exhibit 27

VIAD CORP
FINANCIAL DATA SCHEDULE

DEC-31-1996

DEC-31-1996

YEAR

4,422

0

176,006

12,744

93,730

1,023,801

858,482

385,443

3,453,312

2,352,843

518,779

145,663

6,604

0

286,555

3,453,312

0

2,263,228

0

2,058,846

36,131

0

53,019

110,969

41,898

69,071

(40,694)

0

0

28,377

0.30

0.30

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM VIAD CORP'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994 HAVE BEEN RESTATED TO REFLECT THE HISTORICAL FINANCIAL POSITION AND RESULTS OF OPERATIONS AS ADJUSTED FOR THE RECLASSIFICATION OF VIAD'S CRUISE LINE BUSINESS AS A DISCONTINUED OPERATION.

1,000

Exhibit 27

VIAD CORP
RESTATED FINANCIAL DATA SCHEDULE

DEC-31-1995	DEC-31-1994
DEC-31-1995	DEC-31-1994
YEAR	YEAR
17,945	22,768
0	0
164,391	146,300
14,760	16,185
83,132	68,680
1,103,676	922,120
785,383	745,520
337,830	308,106
3,716,548	3,228,083
2,230,391	1,803,141
811,841	718,774
145,663	145,663
6,597	6,590
0	0
402,506	409,430
3,716,548	3,228,083
0	0
1,976,745	1,806,597
0	0
1,787,420	1,632,776
33,354	33,594
0	0
52,897	47,247
100,445	90,701
29,664	29,528
70,781	61,173

(73,465)	79,138
0	0
(13,875)	0
(16,559)	140,311
(0.20)	1.61
(0.20)	1.61

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM VIAD CORP'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

THE INTERIM STATEMENTS THE PERIODS ENDED MARCH 31, 1996, JUNE 30, 1996 AND SEPTEMBER 30, 1996 HAVE BEEN RESTATED TO REFLECT THE HISTORICAL FINANCIAL POSITION AND RESULTS OF OPERATIONS AS ADJUSTED FOR THE RECLASSIFICATION OF VIAD'S CRUISE LINE BUSINESS AS A DISCONTINUED OPERATION.

1,000

Exhibit 27

VIAD CORP
RESTATED FINANCIAL DATA SCHEDULE

DEC-31-1996	DEC-31-1996	DEC-31-1996
MAR-31-1996	JUN-30-1996	SEP-30-1996
3-MOS	6-MOS	9-MOS
22,497	9,017	10,307
0	0	0
188,624	252,262	208,662
15,407	15,623	17,038
88,812	96,391	93,482
904,127	1,089,710	889,162
800,998	816,434	824,542
355,121	364,769	374,124
3,512,447	3,749,236	3,201,988
1,997,569	2,218,879	2,027,718
822,733	822,938	582,460
145,663	145,663	145,663
6,599	6,601	6,604
0	0	0
420,042	439,975	316,276
3,512,447	3,749,236	3,201,988
0	0	0
531,723	1,099,751	1,698,041
0	0	0
496,261	1,010,198	1,544,736
9,541	18,923	27,066
0	0	0
13,490	27,034	40,554
12,277	30,961	69,114
3,765	13,443	26,507
8,512	17,518	42,607

15,982	21,094	16,427
0	0	0
0	0	0
24,494	38,612	59,034
0.27	0.42	0.64
0.27	0.42	0.64

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM VIAD CORP'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

THE INTERIM STATEMENTS THE PERIODS ENDED MARCH 31, 1995, JUNE 30, 1995 AND SEPTEMBER 30, 1995 HAVE BEEN RESTATED TO REFLECT THE HISTORICAL FINANCIAL POSITION AND RESULTS OF OPERATIONS AS ADJUSTED FOR THE RECLASSIFICATION OF VIAD'S CRUISE LINE BUSINESS AS A DISCONTINUED OPERATION.

1,000

Exhibit 27

VIAD CORP
RESTATED FINANCIAL DATA SCHEDULE

DEC-31-1995	DEC-31-1995	DEC-31-1995
MAR-31-1995	JUN-30-1995	SEP-30-1995
3-MOS	6-MOS	9-MOS
6,572	12,162	8,862
0	0	0
159,037	145,170	140,498
16,200	15,671	14,764
69,520	73,520	68,944
778,052	814,059	858,706
744,341	752,712	765,751
313,843	322,135	332,264
3,185,062	3,312,033	3,336,800
1,688,493	1,807,961	1,950,880
765,079	750,347	728,338
145,663	145,663	145,663
6,592	6,594	6,596
0	0	0
421,812	473,051	383,630
3,185,062	3,312,033	3,336,800
0	0	0
469,965	949,106	1,466,679
0	0	0
434,285	862,471	1,321,268
9,290	17,619	24,458
0	0	0
13,415	26,521	39,691
12,771	41,755	78,589
4,342	12,821	25,931
8,429	28,934	52,658

9,257	36,218	(77,243)
0	0	0
(13,875)	(13,875)	(13,875)
3,811	51,277	(38,460)
0.04	0.58	(0.44)
0.04	0.58	(0.44)