VIAD CORP

FORM 10-K405
(Annual Report (Regulation S-K, item 405))

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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, 1999
Commission File Number 001-11015

VIAD CORP

(Exact name of registrant as specified in its charter)

Delaware **(State or Other Jurisdiction of Incorporation or Organization)**	**36-1169950** **(I.R.S. Employer Identification No.)**
Viad Tower, Phoenix, Arizona **(Address of principal executive offices)**	**85077** **(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 10, 2000, 94,063,572 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 $2.0 billion.

Documents Incorporated by Reference

A portion of the Proxy Statement for the Annual Meeting of Stockholders of Viad Corp to be held May 9, 2000 is incorporated by reference into Part III of this Report.

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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 through approximately 76,000 retail and financial locations primarily in the U.S. (payment services), to numerous trade show organizers and exhibitors (convention and event services), and others. Occupying the number one or number two position in many of the markets in which they compete, each of the Corporation's businesses seek to provide quality, convenient and cost-effective 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 two reportable business segments, namely (1) Payment Services, and (2) Convention and Event Services. The Corporation also provides Travel and Recreation Services. A description of each of the Viad reportable business segments, the travel and recreation businesses, and recent developments relating to each follows.

Viad Business Units

Viad is built around several operating groups which are leading competitors in their businesses, including companies engaged in payment services (Travelers Express Company, Inc., MoneyGram Payment Systems, Inc., and Game Financial Corporation), and convention and event services (GES Exposition Services, Inc. and Exhibitgroup/ Giltspur division). Viad business units also provide travel tour services (Brewster Transport Company Limited) and recreation services (ProDine division and Glacier Park, Inc.).

Payment Services

Viad's payment services business is conducted by the Travelers Express group of companies. These companies engage in a variety of payment service activities, including issuance and processing of money orders, processing of official checks and share drafts, and money transfer and cash access services.

Travelers Express sells money orders to the public through more than 60,000 agent locations in the United States and Puerto Rico, and is one of the nation's leading issuers of money orders, issuing more than 300 million money orders in 1999. Travelers Express also provides processing services for approximately 5,000 banks, credit unions and other financial institutions which offer official checks (used by financial institutions in place of their own bank check or cashier's check) and share drafts (the credit union industry's version of a personal check). In addition, MoneyGram Payment Systems, Inc. ("MoneyGram"), a subsidiary of Travelers Express acquired in June 1998, provides money transfer services through approximately 28,000 agent locations in more than 120 countries worldwide. Another subsidiary, Game Financial Corporation ("Game Financial"), provides cash access services to the gaming industry, including credit card advances, check cashing and ATM services to approximately 75 casinos. The company also provides in-person electronic bill payment services for utility companies and others (whose consumers pay their utility and other bills at conveniently located retail stores), and high volume processing of refund and rebate checks, food vouchers, gift certificates and other financial instruments.

Convention and Event Services

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

GES Exposition Services ("GES"), North America's leading supplier of convention services to trade associations, show management companies and exhibitors, provides tradeshow design and planning, decorating, exhibit design, installation and dismantling, display rental, custom graphics, furnishings, audio visual, electrical, freight handling, logistics, transportation and management services for conventions, tradeshows, and corporate and special events. GES provides convention services through a network of offices in North

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America's most active and popular tradeshow service markets, including full service operations in 21 U.S. and four Canadian cities. In January 1999, GES acquired Tradeshow Convention Services, Inc., a tradeshow and corporate/special events company headquartered in Seattle, Washington. GES also acquired ESR Exposition Services, Inc., a tradeshow contractor headquartered in Teterboro, New Jersey, in May 1998, the trade show business of Puliz of Utah, Inc. and Puliz Moving and Storage, Inc., in June 1998, and the electrical contractor business of Ainsworth Electric Company Limited in July 1998. The Puliz businesses are headquartered in Reno, Nevada, and Ainsworth Electric is headquartered in Toronto, Ontario, Canada.

Exhibitgroup/ Giltspur ("EXG") operates the largest exhibit and display business in the world. EXG is a designer, builder, installer and warehouser of convention, tradeshow, museum and other exhibits and displays with locations in 23 U.S. cities, one Canadian city, one city in England, and two German cities, and an international network of strategic partners in 21 countries. The company also offers exhibition marketing, planning and strategy services, including advertising, multimedia, video and event design. In February 2000, EXG acquired Gardner Displays Company, a full service exhibit and display business headquartered in Pittsburgh, Pennsylvania. In March 1999, EXG acquired the business of SDD Exhibitions Limited, a leading European design and project management company headquartered in Sheffield, England. The acquisition of SDD Exhibitions complements the acquisition of an 80% interest in Voblo Innenausbau, an exhibit company headquartered outside of Dusseldorf, Germany, completed in September 1998, and permits the company to effectively compete in the European trade show market. In September 1999, EXG also acquired Ontario Design, Inc., a full service exhibit marketing, design and fabrication company headquartered in Rochester, New York. The company added retail kiosks to its product mix in April 1998, by acquiring T.L. Horton Design, a business headquartered in Dallas, Texas, and acquired Dimension Works, Inc. and the business of Impact Group, Inc., each located in Chicago, Illinois, in November 1998. EXG is operated as a division of Viad.

Travel and Recreation Services

Travel and recreation services are provided by the Brewster Transport and ProDine business units.

Brewster Transport Company Limited, an Alberta, Canada corporation, operates tour and charter buses in the Canadian Rockies, and conducts travel agency, hotel and snocoach tour operations. Brewster Transport owns and operates 94 intercity coaches and four transit buses, as well as 19 snocoaches which transport sightseers on tours of the glaciers of the Columbia Icefield. In September 1999, Brewster Transport acquired 71% of Banff Lifts Ltd., the owner and operator of the Sulphur Mountain Gondola lift located in Banff, Alberta, Canada, one of the two largest tourist attractions in the Canadian Rockies. The remaining minority interest was acquired in February 2000.

The Corporation's ProDine recreation division acts as the prime concessionaire for all food and beverage services at the America West Arena and Bank One Ballpark in Phoenix, Arizona. America West Arena is the home of the Phoenix Suns basketball and Phoenix Coyotes hockey teams, and Bank One Ballpark is the home of the Arizona Diamondbacks major league baseball franchise. The division, through a subsidiary, also operates seven historic lodges in and around Glacier National Park in Montana and Canada.

Competition

The Corporation's businesses generally compete on the basis of price, value, quality, discernible difference, 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 number and location of sales outlets, business automation, technology and accounting controls for security and reporting. The U.S. Postal Service, First Data Corporation and its subsidiary Western Union Financial Services, Inc., and American Express are the principal competitors of Travelers Express. On a national basis, Freeman Decorating Company is the principal competitor of GES Exposition, and George P. Johnson, Co. Inc. 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 TRAVELERS EXPRESS, MONEYGRAM, EXHIBITGROUP/ GILTSPUR, and GES service marks, have substantial importance and value. Certain rights in processing equipment and software held by Travelers Express and its subsidiaries also provide competitive advantage.

Government Regulation

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. Financial transaction reporting and state banking department regulations affect Travelers Express and MoneyGram, and state gaming department regulations affect Game Financial. 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, exclusive of any potential insurance recoveries, will not have a material effect on the Corporation’s financial statements.

Employees

Viad operating units had approximately 7,400 employees at December 31, 1999 as follows:

Segment	Approximate Number of Employees	Regular Full Time Employees Covered by Collective Bargaining Agreements
Payment Services	1,900	0
Convention and Event Services	4,800	2,000
Travel and Recreation Services	700	50

Viad believes that relations with its employees are satisfactory and that collective bargaining agreements expiring in 2000 will be renegotiated in the ordinary course of business without adverse effect on Viad’s operations.

Viad had 105 employees at its corporate center at December 31, 1999, 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 seven Viad officers (including the one employee director) 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 travel and recreation operations generally experience peak activity at these times. Convention and event service companies experience moderately increased activity during the first half of the year. However, activity may vary depending on the frequency and timing of shows (some shows are not held each year and some shows may shift between quarters). As a result of these factors, Viad's 1999 quarterly diluted earnings per share (before nonrecurring income), as a percentage of the full year's earnings, were approximately 12% (first quarter), 26% (second quarter), 33% (third quarter), and 29% (fourth quarter). See Notes R and S of Notes to Consolidated Financial Statements.

Other Matters

The Corporation disposed of the contract food operations of Restaura, Inc. on January 27, 1999, and disposed of Restaura's public service division units in March 1999.

Discontinued Operations

The Corporation completed the sale of its airline catering business, conducted by Dobbs International Services, Inc. in the United States and by Dobbs International (U.K.) Limited in the United Kingdom (collectively "Dobbs"), on July 1, 1999. Effective April 1, 1998, the Corporation sold its Aircraft Services International Group, which conducted aircraft fueling and ground handling operations. The sale of Dobbs completed the disposition of the Corporation's airline catering and services segment.

Shelf Registration

The Corporation has a shelf registration on file with the Securities and Exchange Commission covering $500 million of debt and equity securities. To date, no securities have been offered under the registration.

Financial Information about Segments

Business segment financial information is provided in Note R of Notes to Consolidated Financial Statements of the Corporation.

Financial Information about Geographic Areas

Geographic area financial information is provided in Note R of Notes to Consolidated Financial Statements of the Corporation.

Item 2. ***Properties***

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

Viad's headquarters are located at Viad Tower in Phoenix, Arizona. Viad leases seven floors (consisting of approximately 159,000 square feet) some of which is subleased.

Payment Services operates five offices (including Travelers Express corporate headquarters located in Minneapolis, Minnesota), three payment services processing centers, two of which are located in Minnesota and one in Colorado, and one warehouse in Colorado. All of the facilities are leased.

Convention and Event Services operates 16 offices and 76 multi-use facilities (exhibit construction, office and/or warehouse). The principal facilities, used in the design and production of exhibits and in connection with providing trade show and exposition services, range in size from approximately 100,000 square feet to 475,000 square feet. All of the properties are in the United States, except for two offices and nine multi-use facilities that are located in Canada, three multi-use facilities that are located in Germany, and one multi-use facility that is located in England. Four of the multi-use facilities are owned; all other properties are leased. GES and Exhibitgroup/ Giltspur corporate headquarters are located in Las Vegas, Nevada, and Roselle, Illinois, respectively.

Travel and Recreation Services operates two offices, two retail stores, three bus terminals, four garages, an icefield tour facility, a gondola lift operation, and nine hotels/ lodges (with approximately 900 rooms, and ancillary foodservice and recreational facilities). All of the properties are in the United States, except for one retail store, the bus terminals, garages, icefield tour facility, gondola lift operation, and three hotels/ lodges that are located in Canada. Travel and Recreation Services owns four hotels/ lodges and five other hotels/ lodges are operated pursuant to a concessionaire agreement. One bus terminal and three garages are owned; the icefield tour facility and gondola lift operation are jointly owned and operated with Parks Canada; all other properties are leased.

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***

The Corporation and certain subsidiaries are plaintiffs or defendants to various actions, proceedings and pending claims. 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 could be decided against the Corporation. Although the amount of liability at December 31, 1999, with respect to these matters is not ascertainable, Viad believes that any resulting liability, after taking into consideration amounts already provided for, will not have a material effect on the Corporation's financial statements. Potential liability for previously reported railroad-asbestos related claims has been resolved favorably for the Corporation.

Item 4. ***Submission of Matters to a Vote of Securityholders***

No matters were submitted to a vote of securityholders during the fourth quarter of 1999.

Optional Item. ***Executive Officers of Registrant***

Executive Officers of Viad Corp

The names, ages and positions of the executive officers of the Corporation as of March 10, 2000, are listed below:

Name	Age	Business Experience During the Past Five Years and Other Information
Robert H. Bohannon	55	Chairman of the Board, President and Chief Executive Officer since January 1997; President and Chief Operating Officer since August 1996; prior thereto, President and Chief Executive Officer of Travelers Express Company, Inc., a subsidiary of Viad, since 1993.
Kimbra A. Fracalossi	40	Vice President-Strategic Planning and Investor Relations since May 1999; prior thereto, Executive Director of Corporate Development since January 1998; previously, partner at Harrell/ Wright Management Consultants since 1994.
Ronald G. Nelson	58	Vice President-Finance and Treasurer since 1994.
Peter J. Novak	60	Vice President and General Counsel since February 1996; prior thereto, Deputy General Counsel and Group General Counsel since 1993.
Scott E. Sayre	53	Secretary and Associate General Counsel since January 1997; prior thereto, Assistant General Counsel since 1992 and Assistant Secretary since 1996.

Name	Age	Business Experience During the Past Five Years and Other Information
Catherine L. Stevenson	43	Vice President-Controller since April 1999; prior thereto, Assistant Controller since October 1997; prior thereto, Director-Financial Reporting since 1994.
Wayne A. Wight	57	Vice President-Corporate Development since February 1998; prior thereto, Executive Director-Corporate Development since 1992.

Executive Officers of Viad Corp's Subsidiaries or Divisions Not Listed Above

Name	Age	Business Experience During the Past Five Years and Other Information
Charles J. Corsentino	53	President and Chief Executive Officer of Exhibitgroup/ Giltspur, a division of Viad, since 1991.
Paul B. Dykstra	38	President and Chief Executive Officer of GES Exposition Services, Inc., a subsidiary of Viad, since January 2000; prior thereto, Executive Vice President-International and Corporate Development since 1999; and prior thereto, Vice President-General Manager or

		similar executive positions with Travelers Express Company, Inc., a subsidiary of Viad, since 1994.
Philip W. Milne	41	President and Chief Executive Officer of Travelers Express Company, Inc., a subsidiary of Viad, since August 1996; prior thereto, Vice President-General Manager-Retail Payment Products of Travelers Express Company, Inc. since 1993.
Paul B. Mullen	45	Chairman of the Board of GES Exposition Services, Inc., a subsidiary of Viad, since January 2000; President and Chief Executive Officer since May 1996; previously was President and Chief Executive Officer of Giltspur, Inc. since 1995.

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 2000 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, 1999:

SALES PRICE RANGE OF COMMON STOCK

	1999		1998	
	High	**Low**	**High**	**Low**
First Quarter	$30.4375	$25.2500	$25.0625	$18.5625
Second Quarter	33.5000	27.3750	27.7500	23.4375
Third Quarter	33.8750	27.2500	29.7500	20.6250
Fourth Quarter	29.8750	24.0000	30.5625	21.5625

DIVIDENDS DECLARED ON COMMON STOCK

	1999	1998
February	$.08	$.08
May	.09	.08
August	.09	.08
November	.09	.08
Total	$.35	$.32

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

As of March 10, 2000, there were 30,666 stockholders of record of Viad's common stock.

Item 6. *Selected Financial Data*

VIAD CORP

SELECTED FINANCIAL AND OTHER DATA

	Year Ended December 31,				
	1999	1998	1997	1996	1995
	(000 omitted, except per share data)				
Operations					
Revenues:					
Ongoing operations(1)	$1,570,241	$1,337,221	$1,118,177	$1,028,057	$ 826,204
Sold businesses	10,928	275,538	368,174	369,868	344,152
Revenues from continuing operations	$1,581,169	$1,612,759	$1,486,351	$1,397,925	$1,170,356
Income from continuing operations(2)	$ 128,559	$ 97,344	$ 56,519	$ 30,142	$ 36,059
Income (loss) from discontinued operations(3)	218,954	53,296	41,275	(1,765)	(38,743)
Extraordinary item			(8,458)		
Cumulative effect of change in accounting principle					(13,875)
Net income (loss)	$ 347,513	$ 150,640	$ 89,336	$ 28,377	$ (16,559)
Diluted income per common share					
Continuing operations(2)	$ 1.32	$ 0.98	$ 0.59	$ 0.32	$ 0.40
Discontinued operations(3)	2.27	0.54	0.44	(0.02)	(0.44)
Extraordinary item			(0.09)		
Cumulative effect of change in accounting principle					(0.16)
Diluted net income (loss) per common share	$ 3.59	$ 1.52	$ 0.94	$ 0.30	$ (0.20)
Average outstanding and potentially dilutive common shares	96,396	98,367	93,786	91,339	88,479
Basic income per common share					
Continuing operations	$ 1.37	$ 1.02	$ 0.61	$ 0.33	$ 0.40
Discontinued operations(3)	2.35	0.56	0.45	(0.02)	(0.44)
Extraordinary item			(0.09)		
Cumulative effect of change in accounting principle					(0.16)
Basic net income (loss) per common share	$ 3.72	$ 1.58	$ 0.97	$ 0.31	$ (0.20)
Average outstanding common shares	93,007	94,382	90,804	88,814	86,543
Dividends declared per common share	$ 0.35	$ 0.32	$ 0.32	$ 0.48	$ 0.62
Financial position at year-end					
Total assets	$5,210,871	$4,665,746	$3,609,208	$3,344,844	$3,615,596
Total debt	389,272	534,453	410,049	520,954	888,967
$4.75 Redeemable preferred stock	6,640	6,625	6,612	6,604	6,597
Common stock and other equity	708,645	645,881	529,161	432,218	548,169

Year Ended December 31,

	1999	1998	1997	1996	1995
			(000 omitted, except per share data)		
Other data					
EBITDA (000 omitted)(4)	$295,820	$229,187	$179,455	$150,543	$130,017
Debt-to-capital ratio(5)	35%	45%	43%	54%	61%

(1) Viad Payment Services subsidiaries invest substantial amounts in tax-exempt securities. On a fully taxable equivalent basis using a combined income tax rate of 39%, revenues would be higher by $52,034,000, $39,309,000, $28,724,000, $21,489,000, and $16,000,000 for 1999, 1998, 1997, 1996, and 1995, respectively.

(2) Includes nonrecurring income (expense) of $6,131,000, or $0.06 per diluted share in 1999, $12,737,000, or $0.13 per diluted share in 1998, and $(9,960,000), or $(0.11) per diluted share in 1996. See Note C of Notes to Consolidated Financial Statements. Excluding these items, diluted income per share from continuing operations was $1.26 in 1999, $0.85 in 1998 and $0.43 in 1996.

(3) See Note D of Notes to Consolidated Financial Statements.

(4) EBITDA is defined by Viad as income from continuing operations before interest expense, income taxes, depreciation and amortization and nonrecurring items and includes the fully taxable equivalent adjustment. EBITDA data are presented as a measure of the ability to service debt, fund capital expenditures and finance growth. Such data should not be considered an alternative to net income, operating income, cash flows from operations or other operating or liquidity performance measures prescribed by generally accepted accounting principles. Cash expenditures for various long-term assets, interest expense and income taxes have been, and will be, incurred which are not reflected in the EBITDA presentations.

(5) Debt-to-capital is defined as total debt divided by capital. Capital is defined by Viad as total debt plus minority interests, preferred stock and common stock and other equity.

Item 7. *Management's Discussion and Analysis of Results of Operations and Financial Condition*

Results of Operations:

On July 1, 1999, Viad Corp ("Viad") completed the sale of its airline catering business, conducted by Dobbs International Services, Inc. in the United States and by Dobbs International (U.K.) Limited in the United Kingdom (referred to collectively as "Dobbs"). Effective April 1, 1998, Viad sold its Aircraft Services International Group ("ASIG"), which conducted aircraft fueling and ground-handling operations. The sale of Dobbs completed the disposition of Viad's airline catering and services segment. The financial statements have been prepared to reflect Viad's historical financial position and results of operations as adjusted for the reclassification of the airline catering and services businesses up to the respective disposition dates of Dobbs and ASIG, as well as the gains on sales of Dobbs and ASIG, as discontinued operations. See Note D of Notes to Consolidated Financial Statements.

Viad has also disposed of several additional noncore businesses (not classified as discontinued operations) in order to concentrate on its core businesses. On January 27, 1999, Viad completed the sale of the contract foodservice operations of Restaura, Inc. The public service division units of Restaura, Inc. were sold in March 1999. In September 1998, Viad sold its duty-free and shipboard concession business, Greyhound Leisure Services, Inc. ("GLSI"). In October 1997, Viad completed the sale of two small United Kingdom travel tour companies. The gains on sale, after providing for costs of sale and related expense provisions, have been reported as nonrecurring income as described in Note C of Notes to Consolidated Financial Statements. The revenues and results of these sold businesses are included in Viad's "Sold businesses" category up to the respective dates of sale.

Viad now focuses on two principal service businesses: Payment Services and Convention and Event Services.

Effective June 1, 1998, Viad acquired MoneyGram Payment Systems, Inc. ("MoneyGram"), a provider of consumer money wire transfer services. MoneyGram's operations from the date of acquisition are included in Viad's Payment Services reportable segment.

The following discussion and analysis should be read in conjunction with the accompanying Consolidated Financial Statements, which include the accounts of Viad and all of its subsidiaries. All per share figures discussed are stated on the diluted basis.

1999 vs. 1998:

Revenues were $1.6 billion in both 1999 and 1998. Viad Payment Services subsidiaries continue to invest substantial amounts of funds from the sale of money orders and other payment instruments in tax-exempt securities, which have lower pre-tax yields but produce higher income on an after-tax basis than comparable taxable investments. On a fully taxable equivalent basis, and excluding the effects of the sold businesses not classified as discontinued operations noted above, revenues of ongoing operations were $1.6 billion, up 18 percent from $1.4 billion in 1998.

Including the nonrecurring income described in Note C of Notes to Consolidated Financial Statements, income from continuing operations for 1999 was $128.6 million, or $1.32 per share, compared with income from continuing operations of $97.3 million, or $0.98 per share in 1998. Income from continuing operations before nonrecurring income was $122.4 million, or $1.26 per share, compared with comparable income of $84.6 million, or $0.85 per share, in 1998.

	1999	1998
	(000 omitted, except per share data)	
Income from continuing operations before nonrecurring income	$122,428	$84,607
Nonrecurring income, net of tax	6,131	12,737
Income from continuing operations	$128,559	$97,344
Diluted income per common share from continuing operations before nonrecurring income	$ 1.26	$ 0.85
Nonrecurring income, net of tax	0.06	0.13
Income per common share from continuing operations	$ 1.32	$ 0.98

Net income for 1999 was $347.5 million, or $3.59 per share, including income from discontinued operations of $219.0 million, or $2.27 per share. Income from discontinued operations in 1999 included the gain on the sale of Dobbs of $213.4 million, or $2.21 per share. Net income for 1998 was $150.6 million, or $1.52 per share, including income from discontinued operations of $53.3 million, or $0.54 per share. Income from discontinued operations in 1998 included the gain on sale of ASIG of $13.2 million, or $0.13 per share.

There were two million fewer average outstanding and potentially dilutive common shares in 1999 than in 1998, due primarily to the stock repurchase programs described in “Liquidity and Capital Resources.” In addition, a lower Viad stock price during 1999 contributed to fewer additional dilutive shares related to unexercised stock options.

Payment Services. Revenues of the Payment Services segment on the fully taxable equivalent basis were $581.5 million in 1999, a 35 percent increase over 1998 segment revenues of $431.2 million. On the same basis, operating margins increased to 22.1 percent in 1999 from 20.2 percent in 1998. Excluding the effects of the nonrecurring patent litigation items discussed in Note C of Notes to Consolidated Financial Statements, net income increased $24.6 million, or 48 percent, in 1999. These results were driven by continuing strong growth in traditional Travelers Express money order and official check operations and by the inclusion of MoneyGram (acquired as of June 1, 1998) for the full year of 1999. Excluding the results of MoneyGram from both periods, revenues on the fully taxable equivalent basis increased 21 percent. Average investable balances were $3.1 billion, up 34 percent from 1998 levels, resulting in higher investment income. In addition, expenses for Year 2000 compliance projects were lower in 1999 than in 1998.

Convention and Event Services. Revenues of the Convention and Event Services segment were $932.8 million in 1999, an increase of 10 percent from 1998 revenues of $849.2 million. Net income for the segment also increased 10 percent to $47.2 million in 1999 from $42.9 million in 1998. Operating margins improved slightly to 10.7 percent in 1999 from 10.3 percent in 1998. Both GES Exposition Services (“GES”) and Exhibitgroup/ Giltspur posted solid results for the year. GES’ 1999 fourth quarter and full year results were impacted by cancellation or cutbacks of certain millennium events and by increased investment in new products and exhibitor services programs and spending on productivity and quality initiatives, designed to position growth and improvement in the future.

Travel and Recreation Services. The ongoing travel and recreation businesses include the Canadian travel tour service subsidiary, which operates tours and charters in the Canadian Rockies and conducts hotel operations and snocoach tours of the Columbia Icefield; and the Recreation Division of Viad, which operates concessions at America West Arena and Bank One Ballpark in Phoenix, Arizona, and also operates the historic lodges at Glacier National Park. Revenues of the travel and recreation businesses increased $10.7 million, or 10 percent, to $113.7 million in 1999. The revenue increase resulted primarily from increased package and snocoach tour business, as well as more events held at America West Arena in 1999 than in 1998. Net income for the travel and recreation businesses was $11.0 million, an increase of $1.4 million, or 15 percent, over that of 1998, primarily from the increases in revenue mentioned above.

Corporate Activities, Net. These expenses decreased $4.8 million from 1998 to 1999, primarily due to ongoing cost reduction efforts. Corporate expenses allocated to the operating companies were essentially even with the 1998 allocations.

Other Investment Income. Other investment income of $14.5 million in 1999 was generated from the investment of a portion of the cash proceeds from the July 1, 1999 sale of Dobbs.

Interest Expense. Interest expense decreased from $27.2 million in 1998 to $26.9 million in 1999. The decrease in interest expense was due primarily to the repayment of short-term borrowings with a portion of the cash proceeds from the sale of Dobbs and the repayment of debt and termination of related interest rate swap agreements with proceeds from sales of other noncore assets and businesses in 1998 and 1999. These items more than offset the increased interest expense from new borrowings for the June 1998 acquisition of MoneyGram and Viad’s stock repurchase programs.

Income Taxes. Excluding the effect of nonrecurring income, the 1999 effective tax rate was 20.5 percent, up from 19.4 percent in 1998. The relatively low effective tax rate is primarily attributable to tax-exempt investment income from Viad’s Payment Services businesses. The tax rate is expected to increase gradually as tax-exempt investment income becomes a lower proportion of pre-tax income from continuing operations.

1998 vs. 1997:

Revenues for 1998 were $1.6 billion compared with $1.5 billion in 1997. On a fully taxable equivalent basis, and excluding businesses sold but not classified as discontinued operations, revenues of ongoing operations were $1.4 billion, up 20 percent from $1.1 billion in 1997.

Including the nonrecurring income described in Note C of Notes to Consolidated Financial Statements, income from continuing operations for 1998 was $97.3 million, or $0.98 per share. Income from continuing operations before nonrecurring income in 1998 was $84.6 million, or $0.85 per share, compared to income from continuing operations of $56.5 million, or $0.59 per share, in 1997.

Net income for 1998 was $150.6 million, or $1.52 per share. The 1998 net income includes income from discontinued operations of $53.3 million, or $0.54 per share. Net income for 1997 was $89.3 million, or $0.94 per share, including income from discontinued operations of $41.3 million, or $0.44 per share, and after deducting an extraordinary charge of $8.5 million, or $0.09 per share, for the early retirement of debt.

There were 4.6 million more average outstanding and potentially dilutive common shares in 1998 than in 1997, due primarily to the acquisition of Game Financial Corporation (“Game”) in December 1997 (for approximately 2.6 million shares of Viad stock), stock option exercises and the effects of a higher Viad stock price on the calculation of additional common shares arising from unexercised stock options. A stock repurchase program was initiated in July 1998 to replace common shares issued upon exercise of stock options and in connection with other stock compensation plans.

Payment Services. Revenues of the Payment Services segment on the fully taxable equivalent basis were $431.2 million in 1998 compared to $234.9 million in 1997, an 84 percent increase over 1997 segment revenues. On the same basis, operating margins were 20.2 percent in 1998, down from 27.8 percent in 1997, due to the inclusion of MoneyGram (acquired as of June 1, 1998) and Game (acquired in December 1997) which have lower margins than the traditional Travelers Express businesses. Excluding the results of MoneyGram and Game from both periods, revenues on the fully taxable equivalent basis increased 26 percent. Excluding the effects of the 1998 nonrecurring patent litigation charge discussed in Note C of Notes to Consolidated Financial Statements, net income increased $10.2 million, or 25 percent, in 1998. These results were accomplished despite increased costs of Year 2000 compliance projects and were driven by continuing strong growth in traditional Travelers Express money order and official check operations, supplemented by Game and MoneyGram results.

Convention and Event Services. Revenues of the Convention and Event Services segment were $849.2 million in 1998, an increase of 3 percent from 1997 revenues of $827.5 million. GES concentrated on eliminating low-margin business during 1998, resulting in a disproportionately low revenue increase. Operating

margins increased to 10.3 percent in 1998 versus 8.8 percent in 1997. Net income for the segment increased 22 percent to $42.9 million in 1998 from $35.3 million in 1997. Both GES and Exhibitgroup/ Giltspur had solid gains in net income due to improved cost controls and higher margin business in 1998.

Travel and Recreation Services. Revenues of the travel and recreation businesses increased $11.7 million, or 13 percent, to $103.0

million in 1998. The revenue increase resulted primarily from the first year's operation of concessions at Bank One Ballpark, partially offset by a decline in Japanese and other Asian tourism into Canada. Net income for the travel and recreation businesses was $9.5 million, an increase of $1.7 million, or 21 percent, over that of 1997, primarily from the addition of the Bank One Ballpark operation as well as improved cost controls.

Corporate Activities, Net. These expenses decreased $7.2 million from 1997 to 1998. In addition to ongoing cost reduction efforts, Viad charged its operating companies an increased allocation of corporate expenses in 1998.

Interest Expense. Interest expense decreased from $34.3 million in 1997 to $27.2 million in 1998. Interest expense from new borrowings for the June 1998 acquisition of MoneyGram was more than offset by the effects of repayment of debt and termination of related interest rate swap agreements with proceeds from the sales of noncore assets and businesses in 1997 and 1998.

Income Taxes. Excluding the effect of nonrecurring income, the 1998 effective tax rate was 19.4 percent, up from 16.5 percent in 1997. The relatively low effective tax rate is primarily attributable to tax-exempt investment income. The tax rate is expected to increase gradually as tax-exempt investment income becomes a lower proportion of pre-tax income from continuing operations.

Liquidity and Capital Resources:

On July 1, 1999, Viad received approximately $780 million in cash proceeds from the sale of Dobbs. A portion of the proceeds was used to repay short-term borrowings, repurchase treasury shares and to repay a portion of the commercial paper issued to a Payment Services subsidiary. In December 1999, Viad contributed approximately $50 million of the Dobbs' sale proceeds to the capital of a Payment Services subsidiary. The repayment of commercial paper and the capital contribution have been invested by the Payment Services subsidiary in debt securities that are included in the Consolidated Balance Sheets under the caption "Investments restricted for payment service obligations." After paying estimated taxes on the gain on sale of Dobbs, the balance of the Dobbs' sale proceeds is being invested in debt securities, pending Viad's use to fund strategic acquisitions in Viad's core businesses, purchase treasury shares, reduce debt, or for other general corporate purposes. The debt securities, totaling $268.9 million at December 31, 1999, are classified in the Consolidated Balance Sheets as "Short-term investments" and "Investments in securities."

Proceeds from the previously discussed sales of other noncore assets and businesses in 1998 and 1999 were used to repay short-term borrowings and, in 1998, to terminate certain related interest rate swap agreements, resulting in lower ongoing interest expense.

In mid-1998, Viad completed its cash tender offer for MoneyGram at $17.35 per share, for a total acquisition cost of approximately $286.5 million. The acquisition was financed with cash and short-term borrowings supported by Viad's long-term revolving bank credit agreement.

Viad's total debt at December 31, 1999, was $389.3 million compared with $534.5 million at December 31, 1998. The debt-to-capital ratio at December 31, 1999, was 0.35 to 1, compared to 0.45 to 1 at December 31, 1998. Capital is defined by Viad as total debt plus minority interests, preferred stock and common stock and other equity. The decrease in the debt-to-capital ratio was due primarily to the repayment of debt with a portion of the proceeds from the sale of Dobbs and the increase in equity resulting from the gain on the sale of Dobbs, partially offset by the reduction in equity due to the repurchase of treasury shares and the unrealized holding losses arising during 1999 on securities classified as available for sale.

Under a Shelf Registration filed in 1994 with the Securities and Exchange Commission, Viad can issue up to an aggregate $500 million of debt and equity securities. No securities have been issued under the program.

In July 1998, Viad announced a stock repurchase program for the purpose of replacing common shares issued upon exercise of stock options and in connection with other stock compensation plans, with the intended effect of reducing dilution caused by the issuance of such shares. After the sale of Dobbs in July 1999, Viad announced a $150 million stock repurchase plan, and in November 1999, Viad announced its intent to repurchase an additional $30 million to $50 million of its common stock. Under these plans, 6,720,600 and 909,000 shares were repurchased in 1999 and 1998 for $204.1 million and $23.0 million, respectively. Net proceeds from the exercise of stock options, including tax benefits on stock option exercises, totaled $29.4 million and $17.2 million in 1999 and 1998, respectively.

With respect to working capital, in order to minimize the effects of borrowing costs on earnings, Viad strives to maintain current assets at the lowest practicable levels while at the same time taking advantage of the payment terms offered by trade creditors and obtaining advance deposits from customers for certain projects and services. In spite of these efforts, working capital requirements may 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 trade accounts receivable. Short-term borrowings are supported by a $300 million long-term revolving bank credit agreement. No borrowings were outstanding under the bank credit agreement at December 31, 1999 or 1998.

Viad has an agreement to sell up to $60 million of trade accounts receivable under which the purchaser has agreed to invest collected amounts in new purchases on a revolving basis. The receivables sold totaled $60 million and $27.4 million at December 31, 1999 and 1998, respectively. The agreement expires in August 2000 but is expected to be extended annually.

Capital spending has been reduced by obtaining, where appropriate, equipment and other property under operating leases. Cash flows from operations, trade accounts receivable sales and proceeds from the sales of noncore businesses and assets during the past three years have generally been sufficient to fund capital expenditures, acquire businesses and pay cash dividends to stockholders. Viad expects operating cash flows, sales of trade accounts receivable, use of investment proceeds from the sale of Dobbs and short-term borrowings to be sufficient to finance its ongoing businesses and to fund acquisitions. Should financing requirements exceed such sources of funds, Viad believes it has adequate external financing sources available, including Viad's $300 million long-term revolving bank credit and its $500 million Shelf Registration, to cover any shortfall.

EBITDA is a measure of Viad's ability to service debt, fund capital expenditures and finance growth, and should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with generally accepted accounting principles. EBITDA, defined as income from continuing operations before interest expense, income taxes, depreciation and amortization and nonrecurring items and including the fully taxable equivalent adjustment, increased 29 percent to $296 million in 1999, while EBITDA in 1998 increased 28 percent to $229 million.

Viad's Payment Services subsidiaries generate funds from the sale of money orders and other payment instruments, with the related liabilities classified as "Payment service obligations." Substantially all of the proceeds of such sales are invested in permissible securities, principally high-quality debt instruments. These investments are restricted by state regulatory agencies for use by the subsidiaries to satisfy the liability to pay, upon presentment, the face amount of such payment service obligations. Such assets are not available to satisfy working capital or other financing requirements of Viad. Accordingly, the securities are included in the Consolidated Balance Sheets under the caption, "Investments restricted for payment service obligations." Certain additional assets of the Payment Services subsidiaries relating to payment service obligations, including cash on hand, funds in transit from agents and securities expected to be sold or maturing within one

year, are included under the caption, "Funds, agents' receivables and current maturities of investments restricted for payment service obligations." Before consolidating eliminations, this caption also 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 noted above, a portion of the commercial paper held by the Payment Services subsidiary was repaid by Viad in 1999. In addition, certain other assets of Payment Services subsidiaries are available for the payment service obligations. 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.

A Viad Payment Services subsidiary has an agreement to sell, on a periodic basis, undivided percentage ownership interests in certain receivables from bill payment and money order agents in an amount not to exceed $400 million. The agreement expires in June 2003. The receivables are sold in order to accelerate payment services' cash flow for investments in admissible securities. In addition, a Viad Payment Services subsidiary has various lines of credit and overdraft facilities totaling $250 million available to assist in the management of its investments and the clearing of payment service obligations. No borrowings were outstanding under these facilities at December 31, 1999 or 1998.

Viad sold treasury stock in 1992 to Viad's Employee Equity Trust (the "Trust") to fund certain existing employee compensation and benefit plans over the scheduled 15-year term of the Trust. 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, is recorded as a deduction from common stock and other equity and is reduced as employee benefits are funded. At December 31, 1999, a total of 3,939,671 shares remained in the Trust and were available to fund future benefit obligations.

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, 1999, Viad has recorded U.S. deferred income tax assets totaling $152 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 net operating loss carryforward period) of approximately $29 million. Viad's average U.S. pre-tax income from continuing operations, exclusive of nondeductible goodwill amortization and minority interests, over the past three years has been $112 million. Furthermore, $43 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 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. Although Viad is a party to certain environmental disputes, Viad believes that any liabilities resulting therefrom, after taking into consideration amounts already provided for, exclusive of any potential insurance recovery, should not have a material effect on Viad's financial position, results of operations or cash flows.

Year 2000 Update:

Viad completed its Year 2000 compliance projects by the end of 1999 and accomplished the Year 2000 transition without any material adverse effect on its business operations, products, financial position, results of operations or cash flows.

Cumulative Year 2000 costs incurred totaled $14.7 million, of which approximately 35 percent, 55 percent and 10 percent were expensed in 1999, 1998 and 1997, respectively. The Year 2000 costs are exclusive of costs which would have been incurred as part of normal systems and applications replacements and/or upgrades to meet current and future business needs.

Item 7A. ***Quantitative and Qualitative Disclosures about Market Risk***

Viad's primary market risk exposures are fluctuations in interest rates and foreign exchange rates. Certain derivative financial instruments are used as part of Viad's risk management strategy to manage exposure to changes in these rates. Derivatives are not used for speculative purposes.

Viad utilizes forward contracts to hedge its exposure to fluctuations in foreign exchange rates on receivables and payables denominated in foreign currencies, which generally arise from wire transfer transactions. The forward contracts generally have maturities less than thirty days. The forward contracts are recorded on the Consolidated Balance Sheets, and the effect of changes in foreign exchange rates on the foreign-denominated receivables and payables, net of the effect of the related forward contracts, is not significant.

As discussed in Note F of Notes to Consolidated Financial Statements, Viad's portfolio of "Investments restricted for payment service obligations" arises primarily from the sale of money orders and other payment instruments by Viad Payment Services subsidiaries. The proceeds of such sales are invested in permissible securities (primarily debt instruments) in accordance with applicable state laws pending the settlement, upon presentment, of the payment instrument obligations. Although Payment Services subsidiaries' investment portfolio exposes Viad to certain credit risks, Viad believes the high quality of the investments reduces this risk substantially. Approximately 99 percent of the investments at December 31, 1999, have a rating of A- or higher or are collateralized by federal agency securities.

A portion of Viad's Payment Services business involves the payment of commissions to selling agents of its official check program. A Viad Payment Services subsidiary has also entered into agreements to sell receivables from its bill payment and money order agents. As discussed in Note P of Notes to Consolidated Financial Statements, the commissions and expense of selling receivables are computed based on short-term variable interest rates that subject Viad to risk arising from changes in such rates. Viad has hedged a substantial portion of this risk through the purchase of swap agreements which convert the variable rate payments to fixed rates. The fair value of such swap agreements, while not recorded on Viad's Consolidated Balance Sheets, generally increases when the market value of fixed rate debt investments declines and vice versa.

Viad is also exposed to short-term interest rate risk on certain of its debt obligations and trade accounts receivable sales. Viad currently does not use derivative financial instruments to hedge cash flows for such obligations.

Based on a hypothetical 10 percent proportionate increase in interest rates from the average level of interest rates during the last twelve months, and taking into consideration expected investment positions, commissions paid to selling agents, growth in new business, the effects of the swap agreements and the expected borrowing level of variable-rate debt, the decrease in pre-tax income would be approximately $1.2 million. A hypothetical 10 percent proportionate decrease in interest rates, based on the same set of assumptions, would result in an increase in pre-tax income of approximately $1.7 million.

The fair value of securities classified as available for sale, the fair value of the swap agreements and the fair value of fixed-rate debt are sensitive to changes in interest rates. A 10 percent proportionate increase in interest rates would result in an estimated decrease in the fair value of securities classified as available for sale of approximately $90.8 million (along with an after-tax decrease in accumulated other comprehensive income of approximately $55.4 million), an estimated off-balance-sheet increase in the fair value of Viad's swap agreements of approximately $41.6 million and an estimated off-balance-sheet decrease in the fair value of Viad's fixed-rate debt of approximately $3.6 million. A 10 percent proportionate decrease in interest rates would result in an estimated increase in the fair value of securities classified as available for sale of approximately $89.2 million (along with an after-tax increase in accumulated other comprehensive income of approximately $54.4 million), an estimated off-balance-sheet decrease in the fair value of Viad's swap agreements of approximately $41.6 million and an estimated off-balance-sheet increase in the fair value of Viad's fixed-rate debt of approximately $3.6 million.

Forward-Looking Statements:

As provided by the safe harbor provision under the “Private Securities Litigation Reform Act of 1995,” Viad cautions readers that, in addition to the historical information contained herein, this Annual Report on Form 10-K includes certain forward-looking statements, assumptions and discussions, including those relating to expectations of or current trends in future growth, productivity improvements, consumer demand, new business, investment policies, ongoing cost reduction efforts and market risk disclosures. Such statements involve risks and uncertainties which may cause results to differ materially from those set forth in those statements. Among other things, consumer demand patterns, purchasing decisions related to customer demand for convention and event services, existing and new competition, industry alliances and consolidation and growth patterns within the industries in which Viad competes may individually or in combination impact future results. In addition to the factors mentioned elsewhere, economic, competitive, governmental, technological, capital marketplace and other factors could affect the forward-looking statements contained in this Annual Report.

Item 8. ***Financial Statements and Supplementary Data***

Refer to Index to Financial Statements on page 21 for required information.

Item 9. ***Disagreements on Accounting and Financial Disclosure***

None.

PART III

Item 10. ***Directors and Executive Officers of the Registrant***

Information regarding Directors of the Registrant is included in the Proxy Statement for the Annual Meeting of Stockholders of Viad Corp to be held on May 9, 2000 and is incorporated herein by reference. Information regarding executive officers of Registrant is located at page 5 of this Report.

Item 11. ***Executive Compensation***

Information regarding executive compensation is contained in the Proxy Statement for the Annual Meeting of Stockholders of Viad Corp to be held on May 9, 2000 and is incorporated herein by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management***

Information regarding security ownership of certain beneficial owners and management is contained in the Proxy Statement for the Annual Meeting of Stockholders of Viad Corp to be held on May 9, 2000 and is incorporated herein by reference.

Item 13. ***Certain Relationships and Related Transactions***

None.

PART IV

Item 14. ***Exhibits, Financial Statement Schedules, and Reports on Form 8-K***

(a)1. The financial statements listed in the accompanying Index to Financial Statements are filed as part of this report.

2. None.

3. The exhibits listed in the accompanying Exhibit Index are filed as part of this report.

(b) Reports on Form 8-K filed since Third Quarter 1999

None.

(c) Exhibits

See Exhibit Index.

(d) Financial Statement Schedules

None.

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 17th day of March, 2000.

VIAD CORP

By: /s/ ROBERT H. BOHANNON

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

By: /s/ ROBERT H. BOHANNON

Robert H. Bohannon
Director; Chairman of the Board,
President and Chief Executive Officer

Date: March 17, 2000

Principal Financial Officer

By: /s/ RONALD G. NELSON

Ronald G. Nelson
Vice President — Finance
and Treasurer

Date: March 17, 2000

Principal Accounting Officer

By: /s/ CATHERINE L. STEVENSON

Catherine L. Stevenson
Vice President — Controller

Date: March 17, 2000

Directors

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

By: /s/ CATHERINE L. STEVENSON

Attorney-in-Fact

Date: March 17, 2000

INDEX TO FINANCIAL STATEMENTS

VIAD CORP

CONSOLIDATED BALANCE SHEETS

	December 31,	
	1999	**1998**
	(000 omitted, except share data)	
Assets		

Current assets:		
Cash and cash equivalents	$ 33,106	$ 15,554
Short-term investments	95,545	
Receivables	43,276	95,796
Inventories	73,687	61,185
Deferred income taxes	36,990	31,954
Other current assets	36,664	32,992
	319,268	237,481
Funds, agents' receivables and current maturities of investments restricted for payment service obligations, after eliminating $50,000 and $90,000 invested in Viad commercial paper	602,893	533,625
Total current assets	922,161	771,106
Investments in securities	173,359	
Investments restricted for payment service obligations	2,936,171	2,415,588
Property and equipment	313,623	294,595
Investment in discontinued operations		386,300
Other investments and assets	121,159	128,417
Deferred income taxes	115,058	66,814
Intangibles	629,340	602,926
	$5,210,871	$4,665,746
Liabilities and Stockholders' Equity		
Current liabilities:		
Short-term bank loans	$ 13,855	$ —
Accounts payable	82,465	108,927
Other current liabilities	204,228	182,626
Current portion of long-term debt	32,814	3,105
	333,362	294,658
Payment service obligations	3,587,834	2,971,228
Total current liabilities	3,921,196	3,265,886
Long-term debt	342,603	531,348
Pension and other postretirement benefits	71,402	74,529
Other deferred items and insurance liabilities	154,435	138,381
Commitments and contingent liabilities (Notes O, P and Q)		
Minority interests	5,950	3,096
$4.75 Redeemable preferred stock	6,640	6,625
Common stock and other equity:		
Common stock, $1.50 par value, 200,000,000 shares authorized, 99,739,925 shares issued	149,610	149,610
Additional capital	289,798	327,866
Retained income	643,352	329,258
Unearned employee benefits and other	(129,818)	(162,543)
Accumulated other comprehensive income:		
Unrealized (loss) gain on securities classified as available for sale	(70,021)	18,231
Cumulative translation adjustments	(4,935)	(7,009)
Minimum pension liability adjustment	(1,674)	(953)
Common stock in treasury, at cost, 5,497,132 and 344,858 shares	(167,667)	(8,579)
Total common stock and other equity	708,645	645,881
	$5,210,871	$4,665,746

See Notes to Consolidated Financial Statements.

VIAD CORP

CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31,		
	1999	**1998**	**1997**
	(000 omitted, except per share data)		
Revenues:			
Ongoing operations	$1,570,241	$1,337,221	$1,118,177
Sold businesses	10,928	275,538	368,174
Revenues from continuing operations	1,581,169	1,612,759	1,486,351
Costs and expenses:			
Costs of sales and services	1,393,383	1,454,152	1,351,717
Corporate activities	19,369	24,207	31,388
Other investment income	(14,468)		
Interest expense	26,888	27,212	34,296
Nonrecurring income	(9,676)	(22,842)	
Minority interests	2,078	2,165	1,237
	1,417,574	1,484,894	1,418,638
Income before income taxes	163,595	127,865	67,713
Income taxes	35,036	30,521	11,194
Income from continuing operations	128,559	97,344	56,519
Income from discontinued operations	218,954	53,296	41,275
Income before extraordinary item	347,513	150,640	97,794
Extraordinary item			(8,458)
Net income	$ 347,513	$ 150,640	$ 89,336
Diluted income per common share			
Continuing operations	$ 1.32	$ 0.98	$ 0.59
Discontinued operations	2.27	0.54	0.44
Income before extraordinary item	3.59	1.52	1.03
Extraordinary item			(0.09)
Diluted net income per common share	$ 3.59	$ 1.52	$ 0.94
Average outstanding and potentially dilutive common shares	96,396	98,367	93,786
Basic income per common share			
Continuing operations	$ 1.37	$ 1.02	$ 0.61
Discontinued operations	2.35	0.56	0.45
Income before extraordinary item	3.72	1.58	1.06

Extraordinary item			(0.09)
Basic net income per common share	$ 3.72	$ 1.58	$ 0.97
Average outstanding common shares	93,007	94,382	90,804
Dividends declared per common share	$ 0.35	$ 0.32	$ 0.32

See Notes to Consolidated Financial Statements.

VIAD CORP

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended December 31,		
	1999	**1998**	**1997**
		(000 omitted)	
Net income	$347,513	$150,640	$ 89,336
Other comprehensive income:			
Unrealized (losses) gains on securities classified as available for sale:			
Holding (losses) gains arising during the period, net of tax (benefit) provision of $(53,748), $7,694, and $11,410	(84,068)	12,035	17,846
Reclassification adjustment for net realized gains included in net income, net of tax provision of $2,675, $4,749, and $2,830	(4,184)	(7,429)	(4,426)
	(88,252)	4,606	13,420
Unrealized foreign currency translation adjustments:			
Holding gains (losses) arising during the period	1,066	(4,038)	(2,591)
Reclassification adjustment for sales of investments in foreign entities included in net income	1,008	51	1,088
	2,074	(3,987)	(1,503)
Minimum pension liability adjustment, net of tax (benefit) provision of $(389), $(205) and $3	(721)	(381)	4
Other comprehensive (loss) income	(86,899)	238	11,921
Comprehensive income	$260,614	$150,878	$101,257

See Notes to Consolidated Financial Statements.

VIAD CORP

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended December 31,

	1999	1998	1997
		(000 omitted)	
Cash flows provided (used) by operating activities			
Net income	$ 347,513	$ 150,640	$ 89,336
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	62,979	57,643	48,722
Deferred income taxes	2,700	1,563	1,437
Income from discontinued operations	(218,954)	(53,296)	(41,275)
Extraordinary item			8,458
Gains on sales of businesses, property and other assets, net	(7,659)	(52,375)	(17,341)
Other noncash items, net	9,653	13,438	8,849
Change in operating assets and liabilities:			
Receivables and inventories	48,980	(31,113)	(5,822)
Payment service assets and obligations, net	549,691	778,156	466,559
Accounts payable and accrued compensation	(51,229)	17,506	11,865
Other assets and liabilities, net	(53,256)	(30,230)	(49,486)
Net cash provided by operating activities	690,418	851,932	521,302
Cash flows provided (used) by investing activities			
Capital expenditures	(62,010)	(54,832)	(72,104)
Purchase of asset previously leased			(20,986)
Acquisitions of businesses, net of cash acquired	(29,521)	(343,771)	(10,495)
Proceeds from sales of businesses, property and other assets, net	57,215	109,319	204,723
Proceeds from sales and maturities of securities classified as available for sale	1,403,277	839,128	819,813
Proceeds from maturities of securities classified as held to maturity	111,204	103,231	48,201
Purchases of securities classified as available for sale	(2,100,239)	(1,602,002)	(1,141,753)
Purchases of securities classified as held to maturity	(349,362)	(96,309)	(191,340)
Cash provided by discontinued operations	650,748	124,839	996
Net cash used by investing activities	(318,688)	(920,397)	(362,945)
Cash flows provided (used) by financing activities			
Proceeds from long-term borrowings		3,926	
Payments on long-term borrowings	(3,709)	(32,639)	(75,946)
Premium paid upon early retirement of debt			(13,012)
Net change in short-term borrowings classified as long-term debt	(142,145)	150,000	(34,000)
Cash payments on interest rate swap agreements related to debt		(17,122)	(6,424)
Dividends on common and preferred stock	(33,713)	(31,480)	(30,295)
Exercise of stock options	29,448	17,216	12,466
Common stock purchased for treasury	(204,059)	(22,979)	
Net cash (used) provided by financing activities	(354,178)	66,922	(147,211)
Net increase (decrease) in cash and cash equivalents	17,552	(1,543)	11,146
Cash and cash equivalents, beginning of year	15,554	17,097	5,951
Cash and cash equivalents, end of year	$ 33,106	$ 15,554	$ 17,097

See Notes to Consolidated Financial Statements.

VIAD CORP

CONSOLIDATED STATEMENTS OF COMMON STOCK AND OTHER EQUITY

	Common Stock	Additional Capital	Retained Income	Unearned Employee Benefits and Other	Accumulated Other Comprehensive Income	Common Stock in Treasury	Total
				(000 omitted)			
Balance, December 31, 1996	$145,663	$282,203	$147,240	$(118,766)	$ (1,890)	$ (22,232)	$ 432,218
Net income			89,336				89,336
Dividends on common and preferred stock			(30,295)				(30,295)
Treasury shares acquired in connection with dividend reinvestment plan		(329)				(1,817)	(2,146)
Employee benefit plans		(7,017)		11,591		15,410	19,984
Employee Equity Trust adjustment to market value		14,793		(14,793)			—
Acquisition of subsidiary accounted for as a pooling of interests	3,947	875	4,382				9,204
Unrealized translation loss					(1,503)		(1,503)
Unrealized gain on securities classified as available for sale					13,420		13,420
Minimum pension liability adjustment					4		4
Other, net		889	(964)			(986)	(1,061)
Balance, December 31, 1997	149,610	291,414	209,699	(121,968)	10,031	(9,625)	529,161
Net income			150,640				150,640
Dividends on common and preferred stock			(31,480)				(31,480)
Employee benefit plans		(15,422)		11,317		24,027	19,922
Employee Equity Trust adjustment to market value		51,892		(51,892)			—
Treasury shares acquired						(22,979)	(22,979)
Unrealized translation loss					(3,987)		(3,987)
Unrealized gain on securities classified as available for sale					4,606		4,606
Minimum pension liability adjustment					(381)		(381)
Other, net		(18)	399			(2)	379
Balance, December 31, 1998	149,610	327,866	329,258	(162,543)	10,269	(8,579)	645,881
Net income			347,513				347,513
Dividends on common and preferred stock			(33,713)				(33,713)
Employee benefit plans		(26,809)		21,487		44,950	39,628
Employee Equity Trust adjustment to market value		(11,238)		11,238			—
Treasury shares acquired						(204,059)	(204,059)
Unrealized translation gain					2,074		2,074
Unrealized loss on securities classified as available for sale					(88,252)		(88,252)
Minimum pension liability adjustment					(721)		(721)
Other, net		(21)	294			21	294
Balance, December 31, 1999	$149,610	$289,798	$643,352	$(129,818)	$(76,630)	$(167,667)	$ 708,645

See Notes to Consolidated Financial Statements.

VIAD CORP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended December 31, 1999, 1998 and 1997

A. Significant Accounting Policies

Principles of Consolidation. The Consolidated Financial Statements of Viad Corp ("Viad") include the accounts of Viad and all of its subsidiaries.

On July 1, 1999, Viad completed the sale of its airline catering business, conducted by Dobbs International Services, Inc. in the United States and by Dobbs International (U.K.) Limited in the United Kingdom (referred to collectively as "Dobbs"). Effective April 1, 1998, Viad sold its Aircraft Services International Group ("ASIG"), which conducted aircraft fueling and ground-handling operations. The sale of Dobbs completed the disposition of Viad's airline catering and services segment. The accompanying financial statements have been prepared to reflect Viad's historical financial position and results of operations as adjusted for the reclassification of the airline catering and services businesses up to the respective dates of disposition of Dobbs and ASIG, as well as the gains on sales, as discontinued operations. See Note D.

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 results of operations during the period. Actual results may vary from those estimates.

Intercompany accounts and transactions between Viad and its subsidiaries have been eliminated in consolidation.

Described below are those accounting policies 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 as cash equivalents. Certain cash equivalents are classified as "Short-term investments." See Note E.

Investments in Securities. A portion of the proceeds from the sale of Dobbs has been invested in securities. These securities are included in the Consolidated Balance Sheets under the caption, "Investments in securities" with the current portion and investments with original maturities of three months or less included under the caption, "Short-term investments." In accordance with Statement of Financial Accounting Standards ("SFAS") No. 115, "Accounting for Certain Investments in Debt and Equity Securities," Viad classifies these investments as available for sale. See Note E.

Assets Restricted for Payment Service Obligations. Viad's Payment Services subsidiaries generate funds from the sale of money orders and other payment instruments, with the related liabilities classified as "Payment service obligations." Substantially all of the proceeds of such sales are invested in permissible securities, principally high-quality debt instruments. These investments are restricted by state regulatory agencies for use by the subsidiaries to satisfy the liability to pay, upon presentment, the face amount of the payment service obligations. Such assets are not available to satisfy working capital or other financing requirements of Viad. Accordingly, the securities are included in the Consolidated Balance Sheets under the caption, "Investments restricted for payment service obligations." Certain additional assets of the Payment Services subsidiaries relating to payment service obligations, including cash on hand, funds in transit from agents and securities expected to be sold or maturing within one year, are included under the caption, "Funds, agents' receivables and current maturities of investments restricted for payment service obligations."

In accordance with SFAS No. 115, Viad classifies these investment securities restricted for payment service obligations as either available for sale or held to maturity. See Note F.

Inventories. Inventories, which consist primarily of exhibit materials and supplies used in providing services, are stated at the lower of cost (first-in, first-out and average cost methods) or market.

Property and Equipment. Property and equipment are stated at cost, net of accumulated depreciation and any impairment write-downs pursuant to SFAS No. 121. Property and equipment are depreciated principally on the straight-line basis over the following useful lives: buildings, from 15 to 40 years; equipment, from 3 to 10 years; and leasehold improvements over the shorter of the lease term or useful life.

Intangibles and Long-Lived Assets. Intangibles, including goodwill, 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 reviews the carrying values of its long-lived assets and intangibles for possible impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable in accordance with the provisions of SFAS No. 121, “Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of.”

Insurance Liabilities. Viad is self-insured up to certain limits for workers’ compensation, automobile, product and general liability, property loss and medical claims. Viad has also retained and provided for certain insurance liabilities in conjunction with the sales of businesses. Provisions for losses for claims incurred, including estimated claims incurred but not yet reported, are made based on Viad’s prior historical experience, claims frequency and other factors. Viad has purchased insurance for amounts in excess of the self-insured levels.

Derivative Financial Instruments. Viad uses derivative financial instruments as part of its risk management strategy to manage exposure to fluctuations in interest and foreign currency rates. Derivatives are not used for speculative purposes. Amounts receivable or payable under swap agreements used to hedge exposure of interest rate changes on variable rate commission payments are accrued and recognized as an adjustment to the expense of the related transaction. Forward contracts used to hedge wire transfer assets and liabilities denominated in foreign currencies are recorded on the Consolidated Balance Sheets. The effect of changes in foreign exchange rates on the foreign-denominated receivables and payables, net of the effect of the related forward contracts, is not significant.

In June 1998, the Financial Accounting Standards Board (“FASB”) issued SFAS No. 133, “Accounting for Derivative Instruments and Hedging Activities.” SFAS No. 133, which was amended by SFAS No. 137, “Deferral of the Effective Date of FASB Statement No. 133,” will be effective for Viad’s financial statements as of January 1, 2001. The statement requires that entities record all derivatives as assets or liabilities, measured at fair value, with the change in fair value recognized in earnings or in other comprehensive income, depending on the use of the derivative and whether it qualifies for hedge accounting. Viad is in the process of evaluating the impact which will result upon adoption of this standard.

Revenue Recognition. Revenue is recognized when services are performed or products are delivered. Revenue on certain long-term exhibit contracts is recognized on the percentage of completion method. Revenues include investment earnings on assets restricted for payment service obligations.

Stock-Based Compensation. As permitted by SFAS No. 123, “Accounting for Stock-Based Compensation,” Viad uses the intrinsic value method prescribed by APB No. 25, “Accounting for Stock Issued to Employees,” and related interpretations in accounting for its stock-based compensation plans.

Net Income Per Common Share. Employee Stock Ownership Plan (“ESOP”) shares are treated as outstanding for net income per share calculations. Shares held by the Employee Equity Trust (the “Trust”) are not considered outstanding for net income per share calculations until the shares are released from the Trust.

Reclassifications. Certain prior year amounts have been reclassified to conform with the 1999 presentation.

B. Acquisitions of Businesses

During 1999, Viad purchased several Convention and Event Services companies and a small Travel and Recreation Services company.

Effective June 1, 1998, Viad acquired MoneyGram Payment Systems, Inc. (“MoneyGram”), a provider of consumer money wire transfer services. Also during 1998, Viad acquired several Convention and Event Services companies.

During 1997, Viad acquired several Payment Services businesses. In addition, in December 1997, Viad acquired all of the common stock of Game Financial Corporation (“Game”) in exchange for 2,631,000 shares of Viad’s common stock. The Game acquisition was accounted for as a pooling of interests.

Except for the Game pooling, the acquisitions were accounted for as purchases. The purchase prices, including acquisition costs, were allocated to the net tangible and identifiable 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 accompanying financial statements include the accounts and results of operations 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 to the consolidated results of operations. In addition, prior period financial statements have not been restated for the pooling of interests, as the results of Game for such periods were not significant.

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:

	1999	1998(1)	1997
		(000 omitted)	
Assets acquired:			
Property and equipment	$ 8,533	$ 17,509	$ 367
Intangibles, primarily goodwill	25,213	371,707	10,128
Other assets	6,838	41,723	
Debt and other liabilities assumed	(11,063)	(87,168)	
Net cash paid	$ 29,521	$343,771	$10,495

(1) During 1999, amounts were revised to reflect final purchase accounting adjustments for 1998 acquisitions. The impact of such adjustments was to increase property and equipment, goodwill and liabilities by $1,427,000, $13,764,000 and $15,191,000, respectively. Amounts previously reported for 1998 have been modified to reflect these adjustments.

C. Nonrecurring Income

In the second quarter of 1998, Viad's Payment Services subsidiary, Travelers Express Company ("TECI"), petitioned the Federal District Court to set aside a settlement term sheet under a patent infringement litigation initiated by TECI against Integrated Payment Systems ("IPS"), a subsidiary of First Data Corporation, because of the parties' failure to agree on final settlement terms. At that time, TECI recorded a one-time provision totaling $10,642,000 ($6,917,000 after-tax) and tendered back to IPS amounts which IPS had paid to TECI pursuant to the term sheet. In December 1999, the Court reinstated the settlement and ordered IPS to pay back to TECI the amounts paid in 1998 and to resume scheduled payments as provided by the term sheet. Accordingly, after deducting legal and other costs, TECI recorded a one-time gain of $8,176,000 ($5,314,000 after-tax) in the fourth quarter of 1999.

In 1999, Viad adopted the equity method of accounting for its approximately 10% investment in the Arizona Diamondbacks ("Diamondbacks") baseball franchise limited partnership. Noncash charges totaling $8,252,000 ($5,268,000 after-tax) were recorded in 1999 representing Viad's pro-rata share of the Diamondbacks cumulative losses. On December 31, 1999, Viad contributed a portion of its investment in the Diamondbacks limited partnership to the Viad Corp Medical Plan Trust to fund certain postretirement benefits. The contribution, which was recorded at fair value, resulted in a one-time gain of $2,377,000 ($1,483,000 after-tax). Going forward, Viad's remaining ownership interest will be accounted for under the cost method.

Subsequent to Viad's press release reporting earnings for the year ended December 31, 1999, Viad settled in February 2000 certain litigation in existence at the end of the year and recorded a nonrecurring provision totaling $9,950,000 ($6,209,000 after-tax) including legal and other costs. Because Viad had not yet filed its 1999 Annual Report on Form 10-K, the settlements were required to be recognized in 1999, in accordance with SFAS No. 5, "Accounting for Contingencies," regarding subsequent events. The settlements will have no impact on future operations.

On January 27, 1999, Viad sold the contract foodservice operations of Restaura, Inc. The public service division units of Restaura were sold in March 1999. After providing for costs of sale and related expense provisions, the net gain was not material.

Viad completed the sale of its duty-free and shipboard concessions business, Greyhound Leisure Services, Inc. ("GLSI") on September 15,

1998. The gain on sale recorded in 1998, after deducting costs of sale and related expense provisions, was $26,684,000 ($15,650,000 after-tax). Upon Viad's collection of a subordinated note receivable and resolution of contingencies related to the sale of GLSI, gains of $9,400,000 ($5,866,000 after-tax) and $7,925,000 ($4,945,000 after-tax), respectively, were recorded in 1999.

In the fourth quarter of 1998, Viad obtained release of all guarantees and bonding relating to its former United Kingdom travel and tour subsidiaries, Crystal Holidays and Jetsave, which had been sold in October 1997. The $6,800,000 ($4,004,000 after-tax) gain on sale, after deducting costs of sale and related expense provisions, was recorded in 1998.

Results of operations up to dates of sale of these sold businesses (not classified as discontinued operations) are included in Viad's "Sold businesses" category. See Note R. In connection with the sales, Viad has retained and provided for certain environmental, insurance and other liabilities.

D. Discontinued Operations

As discussed in Note A, on July 1, 1999, Viad completed the sale of Dobbs, its airline catering business. Effective April 1, 1998, Viad sold ASIG, which conducted aircraft fueling and ground-handling operations. The sale of Dobbs completed the disposition of Viad's airline catering and services segment. In connection with the sales, Viad has retained and provided for certain environmental and other liabilities.

Revenues applicable to the airline catering and services segment totaled $438,179,000 in 1999, $922,632,000 in 1998 and $924,373,000 in 1997. The caption "Income from discontinued operations" in the Consolidated Statements of Income for the years ended December 31 includes the following:

	1999	1998	1997
		(000 omitted)	
Income from operations, net of tax provision of $11,950, $28,573 and $29,959(1)	$ 16,678	$40,095	$41,275
Gain on sale of businesses, net of tax provision of $99,160 and $7,954	213,437	13,201	
Provision related to previously discontinued businesses, net of tax provision of $6,111(2)	(11,161)		
Income from discontinued operations	$218,954	$53,296	$41,275

(1) Interest expense not directly attributable to other Viad operations of $2,593,000 in 1999, $6,862,000 in 1998, and $7,610,000 in 1997, was allocated to the airline catering and services segment based on the amount of intercompany interest that had historically been charged by Viad on interest-bearing advances based on the prime lending rate.

(2) Represents additional provisions for self insurance, environmental and other liabilities arising from previously discontinued businesses.

E. Investments in Securities

A portion of the proceeds from the sale of Dobbs has been invested in securities. These securities are included in the Consolidated Balance Sheets under the caption, "Investments in securities" with the current portion and investments with original maturities of three months or less included under the caption, "Short-term investments." Proceeds have been temporarily invested in securities pending Viad's use to fund strategic acquisitions, purchase treasury shares, reduce debt or for other general corporate purposes. Accordingly, such investments are classified as available for sale and are carried at fair market value in accordance with SFAS No. 115. The net unrealized holding loss of $1,979,000 (net of a deferred tax asset of $1,265,000) at December 31, 1999, is included in the Consolidated Balance Sheets as a component of "Accumulated other comprehensive income." Income arising from these investments is included in the Consolidated Statements of Income under the caption, "Other investment income."

A summary of securities classified as available for sale at December 31, 1999 is presented below:

Gross **Gross**

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
		(000 omitted)		
Corporate debt securities	$ 95,543	$ 2	$ —	$ 95,545
Mortgage-backed and other asset-backed securities	176,605		3,246	173,359
Securities classified as available for sale	$272,148	$ 2	$3,246	$268,904

All corporate debt securities will mature in 2000. Maturities of mortgage-backed and other asset-backed securities depend on the repayment characteristics and experience of the underlying obligations.

Gross losses of $34,000 were realized during 1999. Gross gains and losses are based on the specific identification method of determining cost.

F. Assets Restricted for Payment Service Obligations

Viad's Payment Services subsidiaries generate funds from the sale of money orders and other payment instruments, with the related liabilities classified as "Payment service obligations." Substantially all of the proceeds of such sales are invested in permissible securities, principally high-quality debt instruments. These investments are restricted by state regulatory agencies for use by the subsidiaries to satisfy the liability to pay, upon presentment, the face amount of the payment service obligations. Such assets are not available to satisfy working capital or other financing requirements of Viad. Accordingly, the securities are included in the Consolidated Balance Sheets under the caption, "Investments restricted for payment service obligations." Certain additional assets of the Payment Services subsidiaries relating to payment service obligations, including cash on hand, funds in transit from agents and securities expected to be sold or maturing within one year, are included under the caption, "Funds, agents' receivables and current maturities of investments restricted for payment service obligations." Before consolidating eliminations, this caption also 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. A portion of the commercial paper held by the Payment Services subsidiary was repaid by Viad in 1999. In December 1999, Viad made a capital contribution of approximately $50,000,000 to a Payment Services subsidiary. The repayment of commercial paper and the capital contribution have been invested by the subsidiary in debt securities that are included in the caption, "Investments restricted for payment service obligations." In addition, certain other assets of Payment Services subsidiaries are available for the payment service obligations.

Viad regularly monitors credit and market risk exposures and takes steps to mitigate the likelihood of these exposures resulting in actual loss. Although Payment Services subsidiaries' investment portfolio exposes Viad to certain credit risks, Viad believes the high quality of its investments reduces this risk substantially (approximately 99% of the investments at December 31, 1999, have rating of A- or higher or are collateralized by federal agency securities).

As described in Note P, a Payment Services subsidiary hedges a substantial portion of the variable rate commission payments to its selling agents through the purchase of swap agreements, which convert the variable rate commission payments to fixed rate payments. The fair value of such swap agreements, while not recorded on Viad's Consolidated Balance Sheets, generally increases when market values of fixed rate debt investments held by Payment Services subsidiaries decline and vice versa.

Under normal circumstances, the swap agreements will not be terminated prior to maturity, nor is there any requirement to sell long-term debt securities prior to maturity, as the funds flow from ongoing sales of money orders and other payment instruments and funds from maturing long-term and short-term investments are expected to be adequate to settle payment service items as they are presented. In addition, a Viad Payment Services subsidiary has various lines of credit and overdraft facilities totaling $250,000,000 available to assist in the management of investments and the clearing of payment service obligations.

Presented as additional information below is a summary of asset and liability carrying amounts related to the payment service obligations, along with the fair value of related off-balance-sheet swap agreements at December 31:

	1999	1998
	(000 omitted)	
Funds, agents' receivables and current maturities of investments restricted for payment service obligations, including $50,000 and $90,000 invested in Viad commercial paper(1)	$ 652,893	$ 623,625
Investments restricted for payment service obligations(2)	2,936,171	2,415,588
Other assets available for payment service obligations	3,009	23,568
Payment service obligations	(3,587,834)	(2,971,228)
Fair value (liability) of off-balance-sheet swap agreements(3)	56,708	(25,097)
Total	$ 60,947	$ 66,456

(1) See Note I for description of Viad's revolving bank credit agreement, which supports its commercial paper obligations.

(2) As noted below, securities classified as available for sale are carried at fair market value, and securities classified as held to maturity are carried at amortized cost.

(3) The fair value represents the estimated amount that Viad would receive from (pay to) counterparties to terminate the swap agreements at December 31.

Payment Services securities classified in accordance with SFAS No. 115 are presented below.

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. The net unrealized holding loss of $68,042,000 (net of deferred tax asset of $43,501,000) at December 31, 1999 and the net unrealized holding gain of $18,231,000 (net of deferred tax liability of $11,656,000) at December 31, 1998 are included in the Consolidated Balance Sheets as a component of "Accumulated other comprehensive income." The unrealized loss during 1999 was due to increases in market interest rates, while the unrealized gain during 1998 was due principally to decreases in longer-term market interest rates.

A summary of securities classified as available for sale at December 31, 1999 is presented below:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(000 omitted)			
U.S. Government agencies	$ 29,750	$ —	$ 3,126	$ 26,624
Obligations of states and political subdivisions	1,212,141	1,419	61,546	1,152,014
Corporate debt securities	19,969		874	19,095
Mortgage-backed and other asset-backed securities	904,086	927	43,575	861,438
Debt securities issued by foreign governments	6,973		265	6,708
Preferred stock	105,874	53	4,556	101,371
Securities classified as available for sale	$2,278,793	$2,399	$113,942	$2,167,250

A summary of securities classified as available for sale at December 31, 1998 is presented below:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(000 omitted)		
U.S. Government agencies	$ 16,193	$ 2	$ 14	$ 16,181
Obligations of states and political subdivisions	954,237	30,613	397	984,453
Corporate debt securities	9,967		2,179	7,788
Mortgage-backed and other asset-backed securities	778,417	7,306	2,789	782,934
Debt securities issued by foreign governments	6,970		784	6,186
Preferred stock	80,360	700	2,571	78,489
Securities classified as available for sale	$1,846,144	$38,621	$8,734	$1,876,031

Gross gains of $6,972,000, $12,205,000 and $7,986,000 were realized during 1999, 1998, and 1997, respectively. Gross losses of $79,000, $27,000 and $730,000 were realized during 1999, 1998 and 1997 respectively. Gross gains and losses from sales of securities are based on the specific identification method of determining cost.

Securities Classified as Held to Maturity. Securities classified as held to maturity consist of securities that management has the ability and intent to hold to maturity and are carried at amortized cost. A summary of securities classified as held to maturity at December 31, 1999 is presented below:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(000 omitted)		
U.S. Government agencies	$ 27,035	$ 1	$ 886	$ 26,150
Obligations of states and political subdivisions	457,741	2,648	11,232	449,157
Corporate debt securities	16,397		368	16,029
Mortgage-backed and other asset-backed securities	279,894	397	6,899	273,392
Debt securities issued by foreign governments	7,001		61	6,940
Securities classified as held to maturity	$ 788,068	$ 3,046	$ 19,446	$771,668

A summary of securities classified as held to maturity at December 31, 1998 is presented below:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(000 omitted)		
U.S. Government agencies	$ 55,059	$ 441	$ 30	$ 55,470
Obligations of states and political subdivisions	350,374	15,573	112	365,835
Corporate debt securities	20,507	193	33	20,667
Mortgage-backed and other asset-backed securities	120,743	1,384	316	121,811
Other securities	3,018		137	2,881

Securities classified as held to maturity	$ 549,701	$ 17,591	$ 628	$566,664

Scheduled Maturities. Scheduled maturities of securities at December 31, 1999 are presented below:

	Available for Sale		Held to Maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(000 omitted)			
Due in:				
2000	$ —	$ —	$ 19,147	$ 19,077
2001-2004	117,182	114,925	34,146	33,618
2005-2009	240,797	233,952	117,904	117,695
2010 and later	910,854	855,564	336,977	327,886
Mortgage-backed and other asset-backed securities	904,086	861,438	279,894	273,392
Preferred stock	105,874	101,371		
	$2,278,793	$2,167,250	$788,068	$771,668

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.

G. Property and Equipment

Property and equipment at December 31 consisted of the following:

	1999	1998
	(000 omitted)	
Land	$ 21,129	$ 19,267
Buildings and leasehold improvements	109,021	111,548
Equipment	433,431	408,074
	563,581	538,889
Less accumulated depreciation	249,958	244,294
Property and equipment	$313,623	$294,595

H. Intangibles

Intangibles at December 31 consisted of the following:

	1999	1998
	(000 omitted)	
Goodwill(1)	$640,061	$598,465

Other intangibles	58,262	54,474
	698,323	652,939
Less accumulated amortization	68,983	50,013
Intangibles	$629,340	$602,926

(1) Includes $9,001,000 of goodwill which arose prior to November 1, 1970, not subject to amortization.

I. Debt

Long-term debt at December 31 was as follows:

	1999	1998
	(000 omitted)	
Senior debt:(1)		
Short-term borrowings:		
Promissory notes, 7.0% (1999) and 5.8% (1998) weighted average interest rate at December 31	$ 34,000	$148,000
Commercial paper, 7.6% (1999) and 5.8% (1998) weighted average interest rate at December 31(2)	10,000	52,000
Senior notes, 6.2% (1999 and 1998) weighted average interest rate at December 31, due to 2009	269,775	269,711
Guarantee of ESOP debt, floating rate indexed to LIBOR, 5.4% (1999) and 4.6% (1998) at December 31, due to 2009	20,000	22,000
Real estate mortgages and other obligations, 6.2% (1999) and 5.7% (1998) weighted average interest rate at December 31, due to 2016	23,139	24,239
	356,914	515,950
Subordinated debt, 10.5% debentures, due 2006	18,503	18,503
Total debt	375,417	534,453
Less current portion	32,814	3,105
Long-term debt	$342,603	$531,348

(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.

(2) After eliminating $50,000,000 (1999) and $90,000,000 (1998) of commercial paper issued by Viad to a Payment Services subsidiary.

Viad satisfies its short-term borrowing requirements with bank lines of credit and the issuance of commercial paper and promissory notes. At December 31, 1999, there was $13,855,000 of short-term borrowings outstanding under a bank note payable.

At December 31, 1999, outstanding promissory notes and commercial paper, including the commercial paper issued to a Viad Payment Services subsidiary, are supported by unused commitments under a $300,000,000 long-term revolving bank credit agreement, which expires on August 15, 2002. The interest rate applicable to borrowings under the bank credit agreement 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 $44,000,000 and $200,000,000 at December 31, 1999 and 1998, respectively, have been classified as long-term debt.

Annual maturities of long-term debt due in the next five years will approximate $32,814,000 (2000), $68,684,000 (2001), $87,941,000 (2002), $105,027,000 (2003), $22,315,000 (2004) and $58,636,000 thereafter. Included in the year 2002 is $44,000,000 which represents the maturity of short-term borrowings assuming they had been refinanced utilizing the revolving credit facility described above.

The weighted average interest rate on total debt, inclusive of the effect of interest rate swap agreements (which were terminated in April 1998 after repaying short-term borrowings with proceeds from the sale of ASIG) and excluding interest expense unrelated to debt obligations, was 6.0%, 6.7% and 7.5% for 1999, 1998 and 1997, respectively.

Interest paid in 1999, 1998 and 1997 was $31,287,000, $38,367,000 and $40,089,000, respectively.

Under a Shelf Registration filed in 1994 with the Securities and Exchange Commission, Viad can issue up to an aggregate of $500,000,000 of debt and equity securities. No securities have been issued under the program.

J. Earnings Per Share

The following is a reconciliation of the numerators and denominators of diluted and basic per share computations for income from continuing operations as required by SFAS No. 128, "Earnings Per Share":

	1999	1998	1997
	(000 omitted, except per share data)		
Income from continuing operations	$128,559	$97,344	$56,519
Less: Preferred stock dividends	(1,131)	(1,129)	(1,127)
Income available to common stockholders	$127,428	$96,215	$55,392
Average outstanding common shares	93,007	94,382	90,804
Additional dilutive shares related to stock-based compensation	3,389	3,985	2,982
Average outstanding and potentially dilutive common shares	96,396	98,367	93,786
Diluted income per share from continuing operations	$ 1.32	$ 0.98	$ 0.59
Basic income per share from continuing operations	$ 1.37	$ 1.02	$ 0.61

K. Preferred Stock and Common Stock and Other Equity

Viad has 442,352 shares of $4.75 Preferred Stock authorized, of which 352,352 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 117,372 shares which will be applied to this sinking fund requirement; the 234,980 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.

In 1989, the ESOP borrowed $40,000,000 to purchase treasury shares from Viad. The ESOP's obligation to repay this borrowing is guaranteed by Viad; therefore, the unpaid balance of the borrowing ($20,000,000 and $22,000,000 at December 31, 1999 and 1998, respectively) has been reflected in the accompanying balance sheet as long-term debt. The same amounts, representing unearned employee benefits, have been recorded as a deduction from common stock and other equity. The liability is reduced as the ESOP repays the borrowing, and the amount offsetting common stock and other equity is reduced as stock is allocated to employees and benefits are charged to expense. The ESOP intends to repay the loan (plus interest) using Viad contributions and dividends received on the unallocated Viad shares held by the ESOP.

Information regarding ESOP transactions for the years ended December 31 was as follows:

	1999	1998	1997
		(000 omitted)	
Amounts paid by ESOP for:			
Debt repayment	$2,000	$2,000	$2,000
Interest	917	1,098	1,187
Amounts received from Viad as:			
Dividends	847	884	856
Contributions	2,080	2,205	2,226

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 remaining 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 Emerging Issues Task Force Abstract No. 89-8, "Expense Recognition for Employee Stock Ownership Plans." Under this method, Viad has recorded expense of $2,067,000, $2,205,000, and $2,123,000 in 1999, 1998 and 1997, respectively.

Unallocated shares held by the ESOP totaled 2,302,000 and 2,575,000 at December 31, 1999 and 1998, respectively. Shares allocated during 1999 and 1998 totaled 273,000 and 292,000, respectively.

In 1992, Viad sold treasury stock to Viad's Employee Equity Trust (the "Trust") in exchange for a promissory note. The Trust is used to fund certain existing employee compensation and benefit plans. For financial reporting purposes, the Trust is consolidated with Viad and the promissory note ($37,957,000 at December 31, 1999) and dividend and interest transactions are eliminated in consolidation. The fair market value ($109,818,000 and $136,558,000 at December 31, 1999 and 1998, respectively) of the 3,939,671 and 4,495,736 remaining shares held by the Trust at December 31, 1999 and 1998, respectively, representing unearned employee benefits, is shown as a deduction from common stock and other equity and is reduced as employee benefits are funded. The difference between the cost and fair value of shares held is included in additional capital.

At December 31, 1999, retained income of $155,193,000 was unrestricted as to payment of dividends by Viad.

L. Stock-Based Compensation

In 1997, stockholders adopted the 1997 Viad Corp Omnibus Incentive Plan ("Omnibus Plan"). The Omnibus Plan, which replaced prior incentive plans, 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"); (c) restricted stock; and (d) performance-based awards. The number of shares available for grant under the Omnibus Plan in each calendar year is equal to 2% of the total number of shares of common stock outstanding as of the first day of each year. Any shares available for grant in a particular calendar year which are not granted in such year are added to the shares available for grant in any subsequent calendar year.

Stock options are granted for terms of ten years at an exercise price based on the market value at the date of grant. Stock options granted prior to 1999 are exercisable 50% after one year with the balance exercisable after two years from the date of grant. For stock options granted in 1999 and thereafter, 50% are exercisable after one year and the other half become exercisable after two years if certain annual incentive goals are achieved, or after three years and four years, respectively, if annual incentive goals are not achieved in a particular year. Options granted since 1998 contain certain forfeiture and noncompete provisions.

SARs and Limited SARs (“LSARs”) were granted, with terms of ten years, under the 1983 Stock Option and Incentive Plan. SARs are exercisable under the same terms as stock options, while LSARs vest fully at date of grant and are exercisable only for a limited period (in the event of certain tender 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 2,812 shares in 1997. There were no SARs exercised in 1999 or 1998.

Performance-based stock awards (77,200, 97,600, and 120,900 shares awarded in 1999, 1998 and 1997, respectively, at a fair market value per share of $29.50, $24.78, and $18.34, respectively) vest at the end of a three-year period from the date of grant, based on total shareholder return relative to the applicable stock and industry indices specified at the time of each award. Vested shares with respect to performance periods beginning in 1996, 1995 and 1994 totaled 139,815 in 1999, 83,226 in 1998 and 109,787 in 1997, respectively. Throughout the performance period, holders of the performance-based stock have the right to receive dividends and vote the shares but may not sell, assign, transfer, pledge or otherwise encumber the stock.

Information with respect to stock options for the years ended December 31, at historical number of shares and option exercise prices, is as follows:

	Shares	Weighted Average Exercise Price	Options Exercisable
Options outstanding at December 31, 1996	10,022,907	$10.82	
Granted	1,143,100	18.33	
Conversion of Game options(1)	235,228	7.95	
Exercised	(1,391,630)	9.73	
Canceled	(202,578)	13.91	
Options outstanding at December 31, 1997	9,807,027	11.72	8,052,840
Granted	962,100	24.79	
Exercised	(1,883,697)	10.05	
Canceled	(163,511)	18.84	
Options outstanding at December 31, 1998	8,721,919	13.38	7,342,669
Granted	800,500	29.46	
Exercised	(2,357,122)	12.24	
Canceled	(260,676)	23.20	
Options outstanding at December 31, 1999	6,904,621	15.27	5,838,871

(1) Existing Game options were converted into options to purchase Viad shares upon the acquisition of Game (see Note B). The original number of Game stock options and exercise prices were adjusted to reflect the acquisition exchange ratio.

VIAD CORP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes information concerning stock options outstanding and exercisable at December 31, 1999:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Shares	Weighted Remaining Contractual Life	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
$ 3.93 to $ 7.54	736,946	1.3 years	$ 6.69	736,946	$ 6.69
$ 9.33 to $12.22	2,329,290	2.9 years	10.99	2,329,290	10.99
$13.05 to $16.25	1,699,264	4.8 years	13.50	1,699,264	13.50
$18.06 to $24.78	1,390,621	7.4 years	21.53	1,067,171	20.55
$25.25 to $29.50	748,500	8.8 years	29.45	6,200	26.83
$ 3.93 to $29.50	6,904,621	4.7 years	15.17	5,838,871	12.94

Viad applies APB No. 25 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 stock awards and SAR exercises, which gave rise to compensation expense aggregating $4,607,000, $3,753,000, and $3,858,000 in 1999, 1998 and 1997, respectively.

Assuming Viad had recognized 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 diluted income per share from continuing operations would be as presented in the table below. Compensation cost calculated under SFAS No. 123 is recognized ratably over the vesting period and is net of estimated forfeitures and the tax benefit on nonqualified stock options.

	1999	1998	1997
Income from continuing operations (000 omitted):			
As reported	$128,559	$97,344	$56,519
Pro forma	124,863	92,713	53,240
Diluted income per share from continuing operations:			
As reported	$ 1.32	$ 0.98	$ 0.59
Pro forma	1.29	0.93	0.56

For purposes of applying SFAS No. 123, the estimated fair value of stock options granted during 1999, 1998 and 1997 was $9.17, $7.16, and $5.04 per share, respectively. The fair value of each stock option grant was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	1999	1998	1997
Expected dividend yield	1.2%	1.3%	1.7%
Expected volatility	28.3%	24.4%	23.6%
Risk-free interest rate	5.46%	5.78%	6.13%
Expected life	5 years	5 years	5 years

M. Income Taxes

Deferred income tax assets (liabilities) included in the Consolidated Balance Sheets at December 31 related to the following:

	1999	1998
	(000 omitted)	

Property and equipment	$ (21,765)	$(23,529)
Deferred income	1,796	10,178
Pension, compensation and other employee benefits	42,755	42,079
Provisions for losses	54,909	41,484
Unrealized loss (gain) on securities classified as available for sale	44,767	(11,656)
State income taxes	17,259	8,975
Alternative minimum tax credit carryforward		5,193
Other deferred income tax assets	20,247	32,696
Other deferred income tax liabilities	(20,255)	(16,350)
	139,713	89,070
Foreign deferred tax liabilities included above	12,335	9,698
United States deferred tax assets	$152,048	$ 98,768

The provision for income taxes on income from continuing operations for the years ended December 31 consisted of the following:

	1999	1998	1997
		(000 omitted)	
Current:			
United States:			
Federal	$18,894	$18,221	$ 589
State	4,367	4,538	2,088
Foreign	9,075	6,199	7,080
	32,336	28,958	9,757
Deferred	2,700	1,563	1,437
Income taxes	$35,036	$30,521	$11,194

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 $8,832,000, $6,875,000, and $2,491,000 in 1999, 1998 and 1997, respectively.

Eligible subsidiaries (including sold and discontinued businesses up to their respective disposition dates) are included in the consolidated federal and other applicable income tax returns of Viad. Certain benefits of filing such returns, including tax losses and credits which would not have been available to certain subsidiaries on a separate return basis, have been credited to such subsidiaries by Viad. These benefits are included in the determination of the income taxes of those subsidiaries.

Income taxes paid in 1999, 1998 and 1997, including amounts paid on behalf of the sold and discontinued businesses as part of consolidated federal and other applicable tax returns of Viad, amounted to $99,271,000, $23,334,000, and $18,804,000, 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:

	1999	1998	1997
		(000 omitted)	
Computed income taxes at statutory federal income tax rate of 35%	$ 57,258	$ 44,753	$ 23,700

Nondeductible goodwill amortization	2,678	1,605	992
Minority interests	727	758	433
State income taxes	3,130	2,631	1,823
Tax-exempt income	(28,485)	(21,519)	(15,725)
Other, net	(272)	2,293	(29)
Income taxes	$ 35,036	$ 30,521	$ 11,194

United States and foreign income before income taxes from continuing operations for the years ended December 31 was as follows:

	1999	**1998**	**1997**
		(000 omitted)	
United States	$140,710	$111,643	$52,971
Foreign	22,885	16,222	14,742
Income before income taxes	$163,595	$127,865	$67,713

N. Pension and Other Postretirement Benefits

Pension Benefits. Viad has trusteed, noncontributory pension plans that cover certain employees. Pension benefits are supplemented, in most cases, by defined matching company stock contributions to employees' 401(k) plans as described in Note K. 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 permitted under qualified pension plans, are unfunded.

The following table indicates the plans' funded status and amounts recognized in Viad's Consolidated Balance Sheets at December 31:

	Funded Plans		**Unfunded Plans**	
	1999	**1998**	**1999**	**1998**
		(000 omitted)		
Change in projected benefit obligation:				
Benefit obligation at beginning of year	$120,992	$110,011	$ 31,543	$ 27,468
Service cost	1,763	1,824	791	707
Interest cost	8,666	8,012	2,371	2,115
Plan amendments	352	181	1,907	997
Actuarial adjustments(1)	(5,773)	10,867	533	2,197
Curtailments		(2,462)	(425)	(133)
Benefits paid	(7,711)	(7,441)	(2,100)	(1,808)
Benefit obligation at end of year(2)	118,289	120,992	34,620	31,543
Change in plan assets:				
Fair value of plan assets at beginning of year	140,612	126,374		
Actual return on plan assets	12,922	21,637		
Company contributions	13	42	2,100	1,808
Benefits paid	(7,711)	(7,441)	(2,100)	(1,808)

Fair value of plan assets at end of year	145,836	140,612	—	—
Funded status	27,547	19,620	(34,620)	(31,543)
Unrecognized net transition (asset) obligation	(1,249)	(2,128)	225	516
Unrecognized prior service cost	1,173	919	5,991	5,536
Unrecognized actuarial (gain) loss	(10,719)	(4,328)	6,889	7,121
Net amount recognized	$ 16,752	$ 14,083	$(21,515)	$(18,370)

(1) The actuarial adjustments arose primarily as a result of changes in the discount rate assumption.

(2) The accumulated benefit obligation for the unfunded pension plans was $30,017,000 and $25,844,000 as of December 31, 1999 and 1998, respectively.

The total amounts recognized in Viad's Consolidated Balance Sheets at December 31 were as follows:

	Funded Plans		Unfunded Plans	
	1999	1998	1999	1998
	(000 omitted)			
Prepaid pension cost	$16,813	$14,143	$ —	$ —
Accrued pension liability	(128)	(137)	(30,213)	(26,073)
Intangible asset	6	13	6,183	6,301
Accumulated other comprehensive income	61	64	2,515	1,402
Net amount recognized	$16,752	$14,083	$(21,515)	$(18,370)

Net periodic pension cost for defined benefit plans for the years ended December 31 includes the following components:

	1999	1998	1997
	(000 omitted)		
Service cost	$ 2,554	$ 2,531	$ 3,589
Interest cost	11,037	10,127	9,854
Expected return on plan assets	(12,407)	(11,153)	(10,198)
Amortization of prior service cost	674	603	521
Recognized net actuarial loss	820	463	196
Net periodic pension cost	$ 2,678	$ 2,571	$ 3,962

Net curtailment gains totaling $89,000 and $1,868,000 in 1999 and 1998, respectively, were primarily attributable to the sales of businesses. Curtailment gains totaling $1,632,000 in 1997 were primarily attributable to freezing plan benefits for a business subsequently sold.

Contributions to multiemployer pension plans totaled $13,578,000, $11,779,000, and $12,141,000 in 1999, 1998 and 1997, respectively. Costs of 401(k) defined contribution and other pension plans totaled $1,383,000, $1,644,000, and $3,307,000 in 1999, 1998 and 1997, respectively.

Postretirement Benefits Other Than Pensions. Viad and certain of its subsidiaries have defined benefit postretirement plans that provide medical and life insurance for certain eligible employees, retirees and dependents. The related postretirement benefit liabilities are recognized over the period that services are provided by employees. In addition, Viad retained the obligations for such benefits for certain retirees of sold businesses. While the plans have no funding requirements, Viad may fund the plans. As described in Note C, on December 31, 1999, Viad contributed a portion of its investment in the Arizona Diamondbacks limited partnership to the Viad Corp Medical Plan Trust to fund certain postretirement benefits.

The status of the plans as of December 31 is set forth below:

	1999	1998
	(000 omitted)	
Change in accumulated benefit obligation:		
Benefit obligation at beginning of year	$ 39,753	$ 44,334
Service cost	594	878
Interest cost	2,664	2,997
Plan amendments	(4,793)	(2,777)
Actuarial adjustments(1)	(1,268)	2,433
Curtailments	(5)	(4,983)
Benefits paid	(3,234)	(3,129)
Benefit obligation at end of year	33,711	39,753
Fair value of plan assets at end of year(2)	11,347	
Funded status	(22,364)	(39,753)
Unrecognized prior service reduction	(7,478)	(3,277)
Unrecognized net actuarial gain	(4,413)	(3,203)
Accrued postretirement benefit cost	$(34,255)	$(46,233)

(1) The actuarial adjustments arose primarily as a result of changes in the discount rate assumption.

(2) Assets contributed December 31, 1999.

The net periodic postretirement benefit cost for the years ended December 31 includes the following components:

	1999	1998	1997
	(000 omitted)		
Service cost	$ 594	$ 878	$ 967
Interest cost	2,664	2,997	3,165
Amortization of prior service cost	(408)	(218)	(86)
Recognized net actuarial gain	(77)	(38)	(229)
Net periodic postretirement benefit cost	$2,773	$3,619	$3,817

Curtailment gains totaling $184,000 in 1999 and $5,147,000 in 1998 were primarily attributable to the sales of businesses. There were no curtailment gains or losses in 1997.

The assumed health care cost trend rate used in measuring the 1999 and 1998 accumulated postretirement benefit obligation was 8% and

9%, respectively, gradually declining to 5% by the year 2002 and remaining at that level thereafter for retirees below age 65, and 6.5% and 7%, 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, 1999 by approximately $3,055,000 and the ongoing annual expense by approximately $451,000. A one-percentage-point decrease in the assumed health care cost trend rate for each year would decrease the accumulated postretirement benefit obligation as of December 31, 1999 by approximately $2,590,000 and the ongoing annual expense by approximately $360,000.

Weighted Average Assumptions. Weighted average assumptions used at December 31 were as follows:

	Pension Benefits		Other Benefits	
	1999	**1998**	**1999**	**1998**
Discount rate	7.75%	7.0%	7.75%	7.0%
Expected return on plan assets	10.0%	10.0%	5.0%	N/A
Rate of compensation increase	4.5%	4.5%	N/A	N/A

O. Leases

Certain offices, equipment and other facilities are leased. The leases expire over periods generally ranging from one to 11 years and some provide for renewal options ranging from one to 31 years. Leases which expire are generally renewed or replaced by similar leases.

At December 31, 1999, 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:

	Rental Payments	Rentals Receivable Under Subleases
	(000 omitted)	
2000	$ 31,106	$2,330
2001	25,787	1,280
2002	22,748	586
2003	17,284	347
2004	14,268	281
Thereafter	46,497	367
Total	$157,690	$5,191

In May 1997, Viad sold its corporate headquarters and is leasing back a portion of the building. The future minimum rental payments are included in the table above. The excess of the net sales price over the net book value of the building was deferred and is being amortized over the term of the leaseback.

Information regarding net operating lease rentals for the years ended December 31 is as follows:

	1999	1998	1997
		(000 omitted)	
Minimum rentals	$36,854	$36,659	$38,929
Contingent rentals		751	562

Sublease rentals	(3,021)	(1,169)	(1,280)
Total rentals, net	$33,833	$36,241	$38,211

P. 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 financing needs and to manage exposure to fluctuations in interest rates. These financial instruments include sale of receivables agreements and interest rate swap agreements. The instruments involve, to a varying degree, elements of credit and interest rate risk in addition to amounts recognized in the financial statements.

At December 31, 1999, 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 Convention and Event Services businesses in an amount not to exceed $60,000,000 as a means of accelerating cash flow. At December 31, 1999 and 1998, $60,000,000 and $27,400,000, respectively, of trade accounts receivable were sold under the agreement. The agreement expires in August 2000 but is expected to be extended annually. Under the terms of the trade 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 trade accounts receivable. The average balance of proceeds from the sale of trade accounts receivable approximated $39,954,000, $24,656,000, and $25,550,000 during 1999, 1998 and 1997, respectively. The

expense of selling such receivables, discounted based on short-term interest rates, was $2,263,000, $1,482,000 and $1,585,000 in 1999, 1998, and 1997, respectively, and is included in "Costs of sales and services."

At December 31, 1999, a Viad Payment Services subsidiary had an agreement to sell, on a periodic basis, undivided percentage ownership interests in certain receivables from bill payment and money order agents in an amount not to exceed $400,000,000. The agreement expires in June 2003. The receivables are sold in order to accelerate payment services' cash flow for investment in the admissible securities described in Note F. The average agents' receivables sold approximated $377,000,000, $262,000,000 and $125,000,000 during 1999, 1998 and the latter part of 1997, respectively. The agents' receivables are sold at a discount based on short-term variable interest rates. The expense of selling such receivables was $26,352,000, $16,768,000 and $2,790,000 in 1999, 1998 and 1997, respectively, and is included in "Costs of sales and services."

A portion of the Payment Services subsidiary's business involves the payment of commissions to selling agents of its official check program. The commissions are computed based on short-term variable interest rates. Variable-to-fixed rate swap agreements have been entered into to mitigate the effects of such fluctuations on commission expense and on the net proceeds from the agents' receivables sales.

The notional amount of the variable-to-fixed swap agreements totaled $1,625,000,000 at December 31, 1999, with an average pay rate of 5.3% and an average receive rate of 5.6%. The variable-rate portion of the swaps is generally based on treasury bill, LIBOR or federal funds rates. The agreements expire as follows: $100,000,000 (2000), $375,000,000 (2002), $875,000,000 (2003), $225,000,000 (2004) and $50,000,000 (2007).

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 swap agreements are accrued consistent with the terms of the agreements and market interest rates and are recognized as an adjustment to the expense of the related transaction. Viad maintains formal procedures for entering into swap transactions, and management regularly monitors and reports to the Audit Committee of the Board of Directors on 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 regularly monitors the credit ratings of the counterparties, and the likelihood of default is considered remote.

Fair Value of Financial Instruments. 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 Notes E and F. The carrying amounts and estimated fair values of Viad's other financial instruments at December 31 are as follows:

	1999	1998

	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(000 omitted)			
Total debt	$(389,272)	$(383,725)	$(534,453)	$(541,055)
Swap agreements(1)	124	56,708	(899)	(25,097)

(1) Carrying amount represents accrued interest receivable (payable).

The methods and assumptions used to estimate the fair values of the financial instruments are summarized below. 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 could have a material effect on the estimated fair value amounts.

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 the commercial paper and promissory notes were assumed to approximate fair values due to their short-term maturities.

Swap agreements — The fair value represents the estimated amount that Viad would receive from (pay to) counterparties to terminate the swap agreements at December 31.

Q. Litigation, Claims and Other Contingencies

Viad and certain subsidiaries are plaintiffs or defendants to various actions, proceedings and pending claims. 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 could be decided against Viad. Although the amount of liability at December 31, 1999, with respect to these matters is not ascertainable, Viad believes that any resulting liability, after taking into consideration amounts already provided for, will not have a material effect on Viad’s financial statements. Potential liability for previously reported railroad-asbestos related claims has been resolved favorably for Viad.

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, exclusive of any potential insurance recoveries, will not have a material effect on Viad’s financial statements.

R. Segment Information

SFAS No. 131, “Disclosures about Segments of an Enterprise and Related Information,” requires disclosure of certain financial information for reportable operating segments based on management’s internal organizational decision-making structure. Viad measures segment profit and performance based on operating segment income from continuing operations after minority interests and income taxes, but before nonrecurring items.

The accounting policies of the operating segments are the same as those described in Note A, except that an adjustment is made to the Payment Services segment to present revenues, operating income and income taxes on a fully taxable equivalent basis to reflect amounts invested in tax-exempt securities. Consolidated revenues, operating income and interest expense also reflect the elimination of intercompany interest payments on the commercial paper issued by Viad to a Payment Services subsidiary. Intersegment sales and transfers are not significant. Interest expense is allocated to operations based on net funds advanced and current short-term interest rates. Income taxes are allocated based primarily on separate return calculations for each business. Certain benefits of filing combined and/or consolidated state income tax returns, including tax losses and credits which would not have been available to certain subsidiaries on a separate return basis, have been credited to such subsidiaries by Viad. Depreciation and amortization are the only significant noncash items for the reportable segments.

Viad’s two reportable segments are Payment Services and Convention and Event Services. The Payment Services segment sells money orders through agents, performs official check and negotiable instrument clearing services for banks and credit unions, and provides cash access services to gaming establishments throughout the United States. In addition, the segment provides consumer money wire transfer services throughout the world. The Convention and Event Services segment provides decorating, exhibit preparation, installation and dismantling, and electrical, transportation and management services for conventions,

tradeshows, associations and other corporate events; and designs and builds convention, tradeshow, museum and other exhibits and displays throughout the world.

The remaining categories represent ongoing Travel and Recreation Services businesses below reportable segment quantitative thresholds, sold businesses not classified as discontinued operations, and corporate and other. These categories are presented to reconcile to total results. Ongoing Travel and Recreation Services includes Viad's Canadian travel tour service subsidiary, which operates tours and charters in the Canadian Rockies and conducts hotel operations and snocoach tours of the Columbia Icefield; and the Recreation Division of Viad, which operates concessions at America West Arena and Bank One Ballpark in Phoenix, Arizona and operates historic lodges at Glacier National Park. Sold businesses are described in Note C. Corporate and other includes expenses of corporate activities and interest expense not allocated to operating segments.

Viad's foreign operations are located principally in Canada and Europe. Convention and Event Services revenues are designated as foreign based on the originating location of the product or service plus exports to foreign shows. Payment Services foreign revenues are defined as revenues generated from wire transfer transactions originating in a country other than the United States. Long-lived assets are attributed to domestic or foreign based principally on physical location of the assets. Long-lived assets consist of "Property and equipment" and "Other investments and assets." The table below presents the financial information by major geographic area:

	1999	1998	1997
		(000 omitted)	
Revenues:			
United States	$1,418,050	$1,484,411	$1,341,759
Foreign	163,119	128,348	144,592
Total revenues	$1,581,169	$1,612,759	$1,486,351
Long-lived assets:			
United States	$ 365,383	$ 357,926	$ 319,187
Foreign	69,399	65,086	62,780
Total long-lived assets	$ 434,782	$ 423,012	$ 381,967

Disclosures regarding Viad's reportable segments under SFAS No. 131 with reconciliations to consolidated totals are presented in the accompanying table.

	Revenues	Operating Income	Interest Expense	Income Taxes (Benefit)	Income from Continuing Operations	Assets
			(000 omitted)			
1999						

Payment Services	$ 581,492	$128,487	$ —	$ 51,356	$ 76,064	$4,141,818(1)
Convention and Event Services	932,768	99,934	20,380	31,993	47,182	540,662
Reportable segments	1,514,260	228,421	20,380	83,349	123,246	4,682,480
Other:						
Ongoing Travel and Recreation Services	113,696	20,288	1,484	7,222	10,950	94,833
Subtotal, ongoing operations	1,627,956	248,709	21,864	90,571	134,196	4,777,313
Sold businesses	10,928	(3,208)	(201)	(1,054)	(1,953)	
Corporate and other		(19,369)	10,906	(5,992)	(9,815)	483,558
Nonrecurring items		8,176		3,545	6,131	
Elimination of intercompany interest and commercial paper	(5,681)	(5,681)	(5,681)			(50,000)
Subtotal	1,633,203	228,627	26,888	87,070	128,559	5,210,871
Less: Fully taxable equivalent adjustment(2)	(52,034)	(52,034)		(52,034)		
	$1,581,169	$176,593	$26,888	$ 35,036	$128,559	$5,210,871
1998						
Payment Services	$ 431,157	$ 87,206	$ —	$ 34,536	$ 51,467	$3,511,527(1)
Convention and Event Services	849,165	87,446	16,159	28,353	42,924	546,428
Reportable segments	1,280,322	174,652	16,159	62,889	94,391	4,057,955
Other:						
Ongoing Travel and Recreation Services	102,952	17,729	1,688	6,160	9,523	78,700
Subtotal, ongoing operations	1,383,274	192,381	17,847	69,049	103,914	4,136,655
Sold businesses	275,538	12,279	79	4,017	7,589	35,219
Corporate and other		(24,207)	16,030	(13,341)	(26,896)	197,572
Investment in discontinued operations						386,300
Nonrecurring items		(10,642)		10,105	12,737	
Elimination of intercompany interest and commercial paper	(6,744)	(6,744)	(6,744)			(90,000)
Subtotal	1,652,068	163,067	27,212	69,830	97,344	4,665,746
Less: Fully taxable equivalent adjustment(2)	(39,309)	(39,309)		(39,309)		
	$1,612,759	$123,758	$27,212	$ 30,521	$ 97,344	$4,665,746
1997						
Payment Services	$ 234,891	$ 65,348	$ —	$ 24,105	$ 41,243	$2,440,143(1)
Convention and Event Services	827,500	72,753	12,718	24,737	35,298	424,789
Reportable segments	1,062,391	138,101	12,718	48,842	76,541	2,864,932
Other:						
Ongoing Travel and Recreation Services	91,256	14,590	497	5,949	7,863	80,852
Subtotal, ongoing operations	1,153,647	152,691	13,215	54,791	84,404	2,945,784
Sold businesses	368,174	17,413	(538)	5,134	11,861	112,384
Corporate and other		(31,388)	28,365	(20,007)	(39,746)	218,163
Investment in discontinued operations						422,877
Elimination of intercompany interest and commercial paper	(6,746)	(6,746)	(6,746)			(90,000)

Subtotal	1,515,075	131,970	34,296	39,918	56,519	3,609,208
Less: Fully taxable equivalent adjustment(2)	(28,724)	(28,724)		(28,724)		
	$1,486,351	$103,246	$34,296	$ 11,194	$ 56,519	$3,609,208

[Additional columns below]

[Continued from above table, first column(s) repeated]

	Depreciation and Amortization	Capital Expenditures
	(000 omitted)	
1999		
Payment Services	$25,285	$41,830
Convention and Event Services	27,979	14,739
Reportable segments	53,264	56,569
Other:		
Ongoing Travel and Recreation Services	5,807	4,826
Subtotal, ongoing operations	59,071	61,395
Sold businesses	341	118
Corporate and other	3,567	497
Nonrecurring items		
Elimination of intercompany interest and commercial paper		
Subtotal	62,979	62,010
Less: Fully taxable equivalent adjustment (2)		
	$62,979	$62,010
1998		
Payment Services	$18,312	$22,708
Convention and Event Services	23,072	22,949
Reportable segments	41,384	45,657
Other:		
Ongoing Travel and Recreation Services	5,162	7,413
Subtotal, ongoing operations	46,546	53,070
Sold businesses	6,964	1,003
Corporate and other	4,133	759
Investment in discontinued operations		
Nonrecurring items		
Elimination of intercompany interest and commercial paper		
Subtotal	57,643	54,832
Less: Fully taxable equivalent adjustment (2)		
	$57,643	$54,832
1997		

Payment Services	$10,908	$15,150
Convention and Event Services	20,192	26,561
Reportable segments	31,100	41,711
Other:		
Ongoing Travel and Recreation Services	3,998	19,082
Subtotal, ongoing operations	35,098	60,793
Sold businesses	8,573	10,436
Corporate and other	5,051	875
Investment in discontinued operations		
Elimination of intercompany interest and commercial paper		
Subtotal	48,722	72,104
Less: Fully taxable equivalent adjustment (2)		
	$48,722	$72,104

(1) Includes assets restricted for payment service obligations of $3,589,064,000 (1999), $3,039,213,000 (1998), and $2,323,351,000 (1997), including $50,000,000 in 1999 and $90,000,000 in 1998 and 1997 invested in Viad commercial paper.

(2) The fully taxable equivalent adjustment for Payment Services' income from tax-exempt securities is calculated based on a combined income tax rate of 39%.

S. Condensed Consolidated Quarterly Results (Unaudited)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	(000 omitted, except per share data)				
1999					
Revenues(1)					
Ongoing operations	$362,477	$420,396	$394,222	$393,146	$1,570,241
Sold businesses	10,928				10,928
Revenues from continuing operations	$373,405	$420,396	$394,222	$393,146	$1,581,169
Operating income(1)(2)	$ 25,247	$ 49,607	$ 50,385	$ 51,354	$ 176,593
Net income:					
Continuing operations(3)	$ 14,850	$ 33,024	$ 40,523	$ 40,162	$ 128,559
Discontinued operations	5,535	11,143	202,276		218,954
Net income	$ 20,385	$ 44,167	$242,799	$ 40,162	$ 347,513
Diluted income per common share:(3)(4)					
Continuing operations	$ 0.15	$ 0.33	$ 0.42	$ 0.43	$ 1.32
Discontinued operations	0.05	0.12	2.12		2.27

Diluted income per common share	$ 0.20	$ 0.45	$ 2.54	$ 0.43	$ 3.59
Basic income per common share:(4)					
Continuing operations	$ 0.15	$ 0.34	$ 0.43	$ 0.44	$ 1.37
Discontinued operations	0.06	0.12	2.21		2.35
Basic income per common share	$ 0.21	$ 0.46	$ 2.64	$ 0.44	$ 3.72
Fully taxable equivalent adjustment(1)	$ 11,333	$ 12,910	$ 13,423	$ 14,368	$ 52,034
1998					
Revenues(1)					
Ongoing operations	$284,264	$343,786	$357,841	$351,330	$1,337,221
Sold businesses	81,722	84,069	75,772	33,975	275,538
Revenues from continuing operations	$365,986	$427,855	$433,613	$385,305	$1,612,759
Operating income(1)(2)	$ 17,685	$ 27,543	$ 44,805	$ 33,725	$ 123,758
Net income:					
Continuing operations(3)	$ 8,432	$ 17,268	$ 44,728	$ 26,916	$ 97,344
Discontinued operations	6,947	23,354	12,305	10,690	53,296
Net income	$ 15,379	$ 40,622	$ 57,033	$ 37,606	$ 150,640
Diluted income per common share:(3)					
Continuing operations	$ 0.08	$ 0.18	$ 0.45	$ 0.27	$ 0.98
Discontinued operations	0.07	0.23	0.13	0.11	0.54
Diluted income per common share	$ 0.15	$ 0.41	$ 0.58	$ 0.38	$ 1.52
Basic income per common share:					
Continuing operations	$ 0.09	$ 0.18	$ 0.47	$ 0.28	$ 1.02
Discontinued operations	0.07	0.25	0.13	0.11	0.56
Basic income per common share	$ 0.16	$ 0.43	$ 0.60	$ 0.39	$ 1.58
Fully taxable equivalent adjustment(1)	$ 8,231	$ 9,616	$ 10,459	$ 11,003	$ 39,309

(1) Viad Payment Services subsidiaries are investing increasing amounts in tax-exempt securities. On a fully taxable equivalent basis using a combined tax rate of 39%, revenues and operating income would be higher by the fully taxable equivalent adjustments shown above.

(2) The second quarter of 1998 includes a $10,642,000 provision for payments returned under a disputed patent infringement litigation settlement. In the fourth quarter of 1999, the settlement was reinstated, resulting in a one-time gain of $8,176,000. See Note C.

(3) Includes nonrecurring income of $6,131,000 (after-tax), or $0.06 per diluted share in 1999, and $12,737,000 (after-tax), or $0.13 per diluted share in 1998, as described in Note C. Excluding these items, diluted income per share from continuing operations was:

	1999	**1998**
First Quarter	$0.15	$0.08
Second Quarter	0.33	0.25
Third Quarter	0.42	0.29
Fourth Quarter	0.36	0.23
Total	$1.26	$0.85

(4) Income per common share is computed independently for each quarter and for the year, and the sum of the quarters may not equal the annual amount.

REPORT OF MANAGEMENT

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. They reflect, where applicable, management's best estimates and judgments and include relevant disclosures and explanations.

Viad's financial statements have been audited by Deloitte & Touche LLP. Their audit was conducted in accordance with generally accepted auditing standards. The Independent Auditors' Report appears below.

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. Viad 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 Viad'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 Viad's internal auditing function and the independent auditors. Management has considered the recommendations of both internal auditing and the independent auditors concerning Viad'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 Viad's system of internal control accomplishes the objectives discussed herein.

The Board of Directors oversees Viad's financial reporting through its Audit Committee. The Audit Committee regularly meets with management and, jointly and separately, with the independent auditors and internal auditing management to review interest rate swap activity, accounting, auditing and financial reporting matters and the effectiveness of the Corporate Compliance Program.

/s/ ROBERT H. BOHANNON	/s/ RONALD G. NELSON	/s/ CATHERINE L. STEVENSON
Robert H. Bohannon Chairman, President and Chief Executive Officer	Ronald G. Nelson Vice President — Finance and Treasurer	Catherine L. Stevenson Vice President — Controller

INDEPENDENT AUDITORS' REPORT

To the Stockholders and Board of Directors of Viad Corp:

We have audited the accompanying consolidated balance sheets of Viad Corp as of December 31, 1999 and 1998, and the related consolidated statements of income, comprehensive income, cash flows, and common stock and other equity for each of the three years in the period ended December 31, 1999. 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, 1999 and 1998, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1999 in conformity with generally accepted accounting principles.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP

Phoenix, Arizona
February 17, 2000

EXHIBIT INDEX

EXHIBITS. #	
3.A	Copy of Restated Certificate of Incorporation of Viad Corp, as amended through August 15, 1996, filed as Exhibit 3.A to Viad Corp's 1996 Form 10-K, is hereby incorporated by reference.
3.B	Copy of Bylaws of Viad Corp, as amended through November 19, 1998, filed as Exhibit 3.B to Viad Corp's 1998 Form 10-K, is hereby incorporated by reference.
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 Corp, the Bank parties thereto, Citicorp USA, Inc., as Administrative Agent, and Bank of America National Trust and Savings Association as Documentation Agent, filed as Exhibit 4.B to Viad's 1996 Form 10-K, is hereby incorporated by reference.
4.B1	First Amendment dated as of August 1, 1997, to Amended and Restated Credit Agreement, filed as Exhibit 4.B1 to Viad Corp's 1997 Form 10-K, is hereby incorporated by reference.
4.B2	Second Amendment dated as of September 11, 1997, to Amended and Restated Credit Agreement, filed as Exhibit 4.B2 to Viad Corp's 1997 Form 10-K, is hereby incorporated by reference.
10.A1	Copy of Viad Corp 1983 Stock Option and Incentive Plan, filed as Exhibit (28) to Viad Corp's Registration Statement on Form S-8 (Registration No. 33-41870), is hereby incorporated by reference.+
10.A2	Copy of amendment, effective August 1, 1994, to Viad Corp 1983 Stock Option and Incentive Plan, filed as Exhibit 10.H2 to Viad Corp's 1994 Form 10-K, is hereby incorporated by reference.+
10.B	Copy of Viad Corp 1992 Stock Incentive Plan as amended August 15, 1996, filed as Exhibit 4.3 to Viad Corp's Form S-8 Registration Statement (#333-63397), is hereby incorporated by reference.+
10.C	Copy of 1997 Viad Corp Omnibus Incentive Plan, as amended through February 17, 2000.*+
10.D	Copy of Viad Corp Management Incentive Plan, as amended March 14, 2000.*+
10.E	Copy of Viad Corp Performance Unit Incentive Plan, as amended March 14, 2000.*+
10.F	Copy of Viad Corp Performance-Based Stock Plan, as amended and restated effective May 1998, filed as Exhibit 10D to Viad Corp's Second Quarter 1998 Form 10-Q, is hereby incorporated by reference.+
10.G	Viad Corp Deferred Compensation Plan, Amended and Restated as of October 5, 1999.*+
10.H1	Copy of form of Executive Severance Agreement between Viad Corp and Chairman, President and Chief Executive Officer, filed as Exhibit (10)(G)(i) to Viad Corp's 1991 Form 10-K, is hereby incorporated by reference.+
10.H2	Copy of forms of Viad Corp Executive Severance Plans covering certain executive officers, filed as Exhibit (10)(G)(ii) to Viad Corp's 1992 Form 10-K, is hereby incorporated by reference.+
10.I	Copy of Employment Agreement between Viad Corp and Robert H. Bohannon dated April 1, 1998, filed as Exhibit 10 to Viad Corp's First Quarter 1998 Form 10-Q, is hereby incorporated by reference.+
10.J	Copy of Employment Agreement between Viad Corp and Paul B. Mullen dated April 25, 1996, filed as Exhibit 10.O to Viad Corp's 1996 Form 10-K, is hereby incorporated by reference.+
10.K	Copy of Viad Corp Supplemental TRIM Plan, filed as Exhibit 10.M to Viad Corp's 1994 Form 10-K, is hereby incorporated by reference.+
10.L	Copy of Viad Corp Supplemental Pension Plan (Amended and Restated as of December 1, 1999).*+

EXHIBITS. #	
10.M	Copy of Travelers Express Company, Inc. Supplemental Pension Plan dated December 30, 1997, filed as Exhibit 10.R to Viad Corp's 1997 Form 10-K, is hereby incorporated by reference.+
10.N	Copy of GES Exposition Services, Inc. Supplemental Executive Retirement Plan, as amended effective January 1, 1998, filed as Exhibit 10.S to Viad Corp's 1997 Form 10-K, is hereby incorporated by reference.+
10.O	Copy of Viad Corp Deferred Compensation Plan for Directors, as Amended and Restated July 25, 1996, filed as Exhibit 10.D to Viad Corp's 1996 Form 10-K, is hereby incorporated by reference.+
10.P	Copy of Viad Corp Director's Charitable Award Program as amended through March 15, 1996, filed as Exhibit 10.T to Viad Corp's 1995 Form 10-K, is hereby incorporated by reference.+

10.Q	Description of Viad Corp Director’s Charitable Matching Program.*+
21	List of Subsidiaries of Viad Corp.*
23	Independent Auditors’ Consent 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 Corp.*
27	Financial Data Schedule.*

* Filed herewith.

\+ Management contract or compensation plan or arrangement.

Exhibit 10.C

1997 VIAD CORP OMNIBUS INCENTIVE PLAN,
AS AMENDED THROUGH FEBRUARY 17, 2000

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 Amended, as set forth herein and as hereafter 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," except as otherwise determined by the Committee, means voluntary separation of employment, voluntary termination of employment or voluntary resignation from employment (a) at or after attaining age 55 on pension or vested to receive pension under a pension plan of the Corporation upon election, or (b) upon or after attaining age 55 and not less than five years' continuous service with the Corporation or an affiliate of the Corporation, whether or not vested for pension. Retirement shall be deemed to occur at the close of business on the last day of the employee's participation on the payroll of the Corporation whether receiving compensation for active employment, accrued vacation, salary continuation (regular way or lump sum) or like employment programs.

(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 concerning 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, regarding any Award and any shares of Stock relating thereto, except in connection with a "change of control" of the Company, the sale of a subsidiary or majority-owned affiliate of the Company (and then only with respect to participants employed by each such subsidiary or affiliate), the death or disability of a participant or termination of employment of a participant, and, further 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 and provided, further, however, that the Committee may not reprice Stock Options except for an amount of Stock Options representing not more than 10% of then outstanding Stock Options;

(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 or 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.

Notwithstanding anything to the contrary in the Plan, the Committee will have the authority to modify, amend or adjust the terms and conditions of any Award as appropriate in the event of or in connection with any reorganization, recapitalization, stock split, stock dividend, combination or exchange of shares, merger, consolidation or any change in the capital structure of the Company.

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 individually, 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, subject to the provisions of Section 2(d) hereof, 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, subject to the provisions of Section 2(d) hereof, 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 or payment of tax liability, if any, relating to such exercise 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 or tax liability associated therewith 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 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 subject to the provisions of Section 2(d) hereof, 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 exer- cised, 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, subject to the provisions of Section 7(c)(10), 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) and Sections 7(c)(9) and (10), 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.

(9) Performance-Based Restricted Stock will be subject to a minimum one-year performance period and Restricted Stock which is not performance-based will be subject to a minimum three-year vesting period.

(10) There will be no vesting acceleration, or waiver of forfeiture regarding any Award and any shares of Stock relating thereto, except in connection with a "change of control" of the Company, the sale of a subsidiary or majority-owned affiliate of the Company (and then only with respect to participants employed by each subsidiary or affiliate), the death or disability of a participant, or termination of employment of a participant.

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.

(7) Performance-Based Awards will be subject to a minimum one-year performance period.

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; provided, however, that the Committee may take such action only with respect to Stock Options representing not more than 10% of then outstanding Stock Options.

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 February, 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.

EXHIBIT 10.D

VIAD CORP

ANNUAL MANAGEMENT INCENTIVE PLAN
PURSUANT TO THE VIAD 1997 OMNIBUS INCENTIVE PLAN
AS AMENDED MARCH 14, 2000

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

Brewster Transport Company Limited

Exhibitgroup/Giltspur group
GES Exposition Services, Inc. group Recreation Division (ProDine) group Travelers Express Company, Inc. group

Viad Corp may, by action of 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. OPERATING INCOME (as calculated for external reporting purposes):

An appropriate "operating 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.

Operating income to be used in calculating the bonus pool of each Company shall mean operating income adjusted to appropriately exclude the effects of gains and losses from the sale or other disposition of capital assets other than vehicles. In addition, an addback to actual operating income will be allowed for any increased cost to a subsidiary if there is an increase in the actual formula allocation of corporate 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 or target operating 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 operating income target to reflect planned effects of an acquisition approved after target has been set. Other examples include extraordinary items or effects of a change in accounting principles.

Incentives to be paid under this Plan must be deducted from the subsidiary corporation's earnings by the end of the year. Goals must be achieved after deducting from actual results all incentive compensation applicable to the year, including those incentives earned under this Plan.

2. VALUE ADDED MEASUREMENT:

An appropriate "Value Added" target for the plan year for each Company will be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval. This measurement is intended to place increased emphasis on securing an adequate return to Viad on all capital employed in the business. Viad Value Added (VVA) compares net operating income to the return required on capital invested in the business.

In calculating the bonus pool of each Company, VVA shall mean Net Operating Profit After Taxes (NOPAT is defined as sales minus operating expenses minus taxes) minus a Capital Charge calculated by multiplying a Cost of Capital times the actual Capital (Capital is defined as total assets less current and other liabilities exclusive of debt). Certain adjustments are necessary to determine NOPAT and Capital, as set forth in the VVA user guide.

3. OTHER PERFORMANCE MEASUREMENTS:

An appropriate number of performance measurements other than operating income and VVA 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) Operating income margin growth*
2) Control/reduce workers compensation and liability claims/costs
3) Profitability per employee
4) Growth in funds for payment service
5) Pushdown of balance sheet measures of VVA to Lines of Businesses
6) Development of long-term internet strategies
7) Drive shared services initiatives
* Fully taxable equivalent basis (where appropriate)

4. REVENUE (as calculated for external reporting purposes):

The bonus pool earned will be subject to a further calculation whereby the total bonus pool otherwise accruable will be adjusted by 95% (threshold) up to 105% (maximum), depending on the achievement against the revenue target.

5. ESTABLISHING TARGETS:

The targets for revenue, operating income, VVA and for the categories of discretionary performance measurements 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.

Subsidiary Positions	As a Percentage of Salary Threshold**	Target	Cap
Chief Executive Officer/President*	25.0%	50%	89.25%
	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 60% of the sum of target bonuses:

(i) no bonus will be earned if less than 90% of the operating income target is achieved;

(ii) 50% (threshold) to 100% will be earned if 90% to 100% of the operating income target is achieved.

(iii) 100% to 170% will be earned if 100% to 110% of the operating income target is achieved.

b) on 30% of the sum of target bonuses:

(i) No bonuses will be earned if less than 70% of the VVA target is achieved;

(ii) 50% (threshold) to 100% will be earned if 70% to 100% of the VVA target is achieved.

(iii) 100% to 170% (cap) will be earned if 100% to 130% of the VVA target is achieved.

Notwithstanding 2.a) i), ii) and iii) and 2.b) i), ii) and iii), of this paragraph F, the ratable accrual of the operating income and VVA targets may be established for threshold within the range of above 70%, up to and including 98% and for maximum within the range of below 130% down to 102%, 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.

c) on 10% 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 170% 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.

d) a further reduction or increase in the total bonus accrual earned under 2.a), b) and c) of this paragraph will occur:

(i) If less than threshold revenue target is achieved, then overall award is reduced by 5%;

(ii) If greater than or equal to threshold but below maximum revenue target is achieved, then overall award remains at 100%;

(iii) If equal to or greater than maximum revenue target is achieved, overall award is increased by 105%, such that the maximum total bonus accrual percentage earned under paragraph 2 is 178.5% (applies only if achievement under the Operating Income, VVA & Other Performance Measurements are at maximum, 170%; otherwise, Revenue bonus pool accrual formula will be limited to 100%).

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) discretionary 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 Accounting for Derivatives, to be effective for periods after December 15, 2000, which could be adopted earlier, but was not taken into account in setting 2000 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.

Incentives to be paid under this Plan must be deducted from the corporation's earnings by the end of the year. Goals must be achieved after deducting from actual results all incentive compensation applicable to the year, including those incentives earned under this Plan.

2. VALUE ADDED MEASUREMENT:

An appropriate "Value Added" target for the plan year for Corporate will be recommended by the Chief Executive Officer of Viad for approval by the Human Resources Committee. This measurement is intended to place increased emphasis on securing an adequate return to Viad on all capital employed in the business. Viad Value Added (VVA) compares operating income to the return required on capital invested in the business.

In calculating the bonus pool for Corporate, VVA shall mean Net Operating Profit After Taxes (NOPAT is defined as sales minus operating expenses minus taxes) minus a Capital Charge calculated by multiplying a Cost of Capital times the actual Capital (Capital is defined as total assets less current and other liabilities exclusive of debt). Certain adjustments are necessary to determine NOPAT and Capital, as set forth in the VVA user guide.

3. 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) Management of 'legacy' liabilities of discontinued and/or sold businesses (primarily for legal, self-insurance, reinsurance and environmental matters)
3) Strategic positioning through effective portfolio management
4) Corporate center cost control
5) Through analysis and support, identify and help correct problems in operating units

4. REVENUE (as calculated for external reporting purposes):

The bonus pool earned will be subject to a further calculation whereby the total bonus pool otherwise accruable will be adjusted by 95% (threshold) up to 105% (maximum) depending on the achievement against the revenue target.

5. ESTABLISHING TARGETS:

The actual targets for revenue, income per share, for VVA and for the 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	37.50%	75%	137.8%
Senior Advisory Group	25.00%	50%	89.25%
	22.50%	45%	80.325%
Corporate Staff Officers	20.00%	40%	71.4%
Staff Directors*	17.50%	35%	62.475%
	15.00%	30%	53.55%
	12.50%	25%	44.625%
	10.00%	20%	35.7%
Staff Professionals*	7.50%	15%	26.775%
	5.00%	10%	17.85%

* 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 60% 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% (175% in the case of Chairman, President and Chief Executive Officer) will be earned if 100% to 110% of income per share target is achieved.

b) on 30% of the sum of target bonuses:

(i) no bonus will be earned if less than 90% of the VVA target is achieved;

(ii) from 50% (threshold) to 100% will be earned if 90% to 100% of the VVA target is achieved.

(iii) 100% to 170% (175% in the case of Chairman, President and Chief Executive Officer) (cap) will be earned if 100% to 110% of the VVA target is achieved.

c) on 10% 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% (175% in the case of Chairman, President and Chief Executive Officer) 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

d) a further reduction or increase in the total bonus accrual earned under 2.a), b) and c) of this paragraph will occur:

(i) If less than threshold revenue target is achieved, then overall award is reduced by 5%;

(ii) If greater than or equal to threshold but below maximum revenue target is achieved, then overall award remains at 100%;

(iii) If equal to or greater than maximum revenue target is achieved, overall award is increased by 105%, such that the maximum total bonus accrual percentage earned under paragraph 2 is 178.5% (183.75% in the case of Chairman, President & Chief Executive Officer) (applies only if achievement under the Income per Share, VVA & Other Performance Measurements are at maximum, 170%; otherwise, Revenue bonus pool accrual formula will be limited to 100%).

e) Notwithstanding 2.a) i), ii) and iii) and
2.b) i), ii) and iii) of this paragraph E, the ratable accrual of the income per share and VVA targets may be established for threshold within the range of above 90% up to and including 97% and for maximum within the range of below 110% down to 103% 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.

f) 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 178.5% 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.

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 a specified minimum, 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 no 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, except as provided in Paragraph XII. 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. EFFECT OF CHANGE OF CONTROL:

Notwithstanding anything to the contrary in this Plan, in the event of a Change of Control (as defined in the Viad 1997 Omnibus Incentive Plan) each participant in the Plan shall be entitled to a prorata bonus award calculated on the basis of achievement of performance goals through the date of the Change of Control.

XIII. 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.E
VIAD CORP

PERFORMANCE UNIT INCENTIVE PLAN
PURSUANT TO THE VIAD 1997 OMNIBUS INCENTIVE PLAN
AS AMENDED MARCH 14, 2000

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 three pre-defined long-range financial goals which have been selected because they are key factors (goals) in increasing shareholder value.

The first goal for each Subsidiary Participant emphasizes growth in Average Three-Year Operating Income.

The first goal for Corporate Participants also emphasizes Growth in Average Three-Year Operating Income but the target will be based on income per share from continuing operations, the most appropriate measure in increasing shareholder value.

The second goal for Corporate and Subsidiary Participants is a Viad Value Added (VVA) measure.

The third goal for Corporate and Subsidiary Participants emphasizes growth in Average Three-Year Revenues.

5. DETERMINATION OF TARGETS

A. AVERAGE THREE-YEAR GROWTH IN SUBSIDIARY EARNINGS

An appropriate average three-year operating income target for the Performance Period for each Subsidiary Company will be established taking into account historical operating income, financial plan operating 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.

B. 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 per share from continuing operations 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.

C. VALUE ADDED MEASUREMENT:

The VVA measurement is intended to place increased emphasis on securing an adequate return to Viad on all capital employed in the business. VVA compares net operating income to the return required on capital invested in the business.

In calculating the bonus pool of each Company, VVA shall mean Net Operating Profit After Taxes (NOPAT is defined as sales minus operating expenses minus taxes) minus a Capital Charge calculated by multiplying a Cost of Capital times the actual Capital (Capital is defined as total assets less current and other liabilities exclusive of debt). Certain adjustments are necessary to determine NOPAT and Capital, as set forth in the VVA user guide.

An appropriate average three-year VVA target will be established; a range of values above and below such target will then be selected to measure achievement above or below the target.

D. REVENUE

An appropriate average three-year Revenue target (as defined for outside reporting purposes) will be established for Subsidiary and Corporate with a focus on enhancing profitable top-line growth. An appropriate range of values above and below such target will then be selected to measure achievement above or below the target.

E. ESTABLISHING TARGETS

The appropriate weighting of goals, 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 the degree of achievement of pre-defined targets over the Performance Period following the date of grant.

Earned Units can range, based on operating performance using an award range of values, from 0% to 200% of the target Units.

6. OTHER PLAN PROVISIONS

Subsidiary operating 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 Accounting for Derivatives to be effective for periods after December 15, 2000 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.

An addback to actual operating 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 and the 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 operating income or income per share performance and the VVA and Revenue measurements 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 the degree of achievement of each of the pre-defined targets (operating income or income per share, VVA, and Revenue) over the Performance Period following the date of grant. A range of values will be established for the operating income or income per share target (to carry a 70% weighting), for the VVA target (to carry a 30% weighting), and for the Revenue target (to be used for adjustment to the total bonus pool otherwise accruable by 95% (threshold) up to 105% (maximum), depending upon the achievement against the revenue target).

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 ten trading day period beginning on the day following public announcement of the Corporation's year-end financial results following the Performance Period. 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. EFFECT OF CHANGE OF CONTROL

Notwithstanding anything to the contrary in this Plan, in the event of a Change of Control (as defined in the Viad 1997 Omnibus Incentive Plan) each participant in the Plan shall be entitled to a prorata bonus award calculated on the basis of achievement of performance goals through the date of the Change of Control.

13. 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.

14. 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.

15. 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.G

VIAD CORP
DEFERRED COMPENSATION PLAN
AMENDED AND RESTATED AS OF OCTOBER 5, 1999

1. PURPOSE OF THE PLAN. The purpose of the Deferred Compensation Plan (the Plan) is to provide a select group of management or highly compensated employees of Viad Corp (the Corporation) and its subsidiaries with an opportunity to defer the receipt of incentive compensation awarded to them under the Management Incentive Plan, the Performance Unit Incentive Plan and certain other incentive plans of Viad Corp and its subsidiaries (the Incentive Plans) and thereby enhance the long-range benefits and purposes of the incentive awards. Each plan year shall extend from January 1 through December 31 of each calendar year.

2. ADMINISTRATION OF THE PLAN. The Plan shall be administered by the Compensation Advisory Committee (the Committee). Subject to the express provisions of the Plan, and the Incentive Plans, the Committee shall have the authority to adopt, amend and rescind such rules and regulations, and to make such determinations and interpretations relating to the Plan, which it deems necessary or advisable for the administration of the Plan, but it shall not have the power to amend, suspend or terminate the Plan. All such rules, regulations, determinations and interpretations shall be conclusive and binding on all parties.

3. PARTICIPATION IN THE PLAN.
(a) Participation in the Plan shall be restricted to a select group of management or highly compensated employees of the Corporation or one of its subsidiaries who are participants in certain Incentive Plans, including the Management Incentive Plan, Viad Corp Performance Unit Incentive Plan, and any other bonus or bonuses or similar or successor plans, who have been selected in writing by the Chief Executive Officer of the Corporation to participate in the Plan, and whose timely written requests to defer the receipt of all or a portion of any incentive compensation which may be awarded to them, are honored in whole or in part by the Committee. Any individual whose request for deferral is not accepted or honored by the Committee, whether for failure of timely submission or for any other reason, shall not become a participant in the Plan, and the Committee's determination in this regard shall be conclusive and binding.

(b) Participants may defer incentive compensation into a cash account and, if designated by the Committee, into a stock unit account.

(c) If a participant in the Plan shall 1) sever, voluntarily or involuntarily, his employment with the Corporation or one of its subsidiaries other than as a result of disability or retirement, 2) engage in any activity in competition with the Corporation or any of its subsidiaries during or following such employment, or 3) remain in the employ of a corporation which for any reason ceases to be a subsidiary of the Corporation, the Committee may at any time thereafter direct, in its sole and exclusive discretion, that his participation in the Plan shall terminate, and that he be paid in a lump sum the aggregate amount credited to his deferred incentive cash account as of the date such participation is terminated and that he be paid shares of the Corporation's Common Stock equal to the aggregate number of stock units credited to his deferred stock unit account as of the date such participation is terminated (with any fractional unit being settled by cash payment). The Committee is authorized to establish and implement a policy and procedures for administration of this paragraph, including, but not limited to, a policy regarding small account balance cash-outs.

(d) The Corporation and each participating subsidiary shall be solely liable for payment of any benefits and, except as may be otherwise determined by the Committee, for maintenance of deferred incentive accounts pursuant to paragraph 7, with respect to its own employees who participate in the Plan. In the event a participant leaves the employ of the Corporation or a participating subsidiary ("former employer") and is subsequently employed by another employer, the Corporation or another subsidiary of the Corporation ("new employer"), the former employer may agree to transfer and the new employer may agree to assume the benefit liability reflected in such participant's deferred incentive account, without the consent of such participant and subject to the approval of the Committee, in its sole discretion. In the event of such a transfer and assumption of liability, the former employer shall have no further liability for any benefit under the Plan to its former employee or otherwise with respect to such transferred account.

4. REQUESTS FOR DEFERRAL. All requests for deferral of incentive awards must be made in writing prior to November 15 of the year in which the bonus is being earned and shall be in such form and shall contain such terms and conditions as the Committee may determine. Each such request shall specify the dollar amount or the percentage to be deferred of incentive award which would otherwise be received in the following calendar year, but in no event shall the amount to be deferred be less than $1,000. Each such request shall also specify 1) the date (no later than the employee's actual retirement date) when payment of the aggregate amount credited to the deferred incentive account is to commence, 2) whether such payment is then to be made in a lump sum or in quarterly or

annual installments, 3) if payment is to be made in installments, the period of time (not in excess of ten years) over which the installments are to be paid, and 4) if the participant is permitted to defer incentive compensation into a stock unit account, the portion of the deferred incentive compensation which shall be treated as a cash account under paragraph 7(b) and the portion which shall be treated as a stock unit account under paragraph 7(c). If the participant has requested that a portion of the deferred incentive compensation be placed in a stock unit account, such request shall also include acknowledgment that such stock unit account will be settled in Common Stock of the Corporation, and that such stock unit account cannot be converted to a cash account in the future. The Committee shall, under no circumstances, accept any request for deferral of less than $1,000 of an incentive award or any request which is not in writing or which is not timely submitted.

5. DEFERRAL AND PAYMENT OF INCENTIVE AWARDS. The Committee shall, prior to December 15 of the year in which the bonus is being earned, notify each individual who has submitted a request for deferral of an incentive award whether or not such request has been accepted and honored. If the request has been honored in whole or in part, the Committee shall advise the participant of the dollar amount or percentage of his incentive compensation which the Committee has determined to be deferred. The Committee shall further advise the participant of its determination as to the date when payment of the aggregate amount credited to the participant's deferred incentive account is to commence, whether payment of the amount so credited as of that date will then be made in a lump sum or in quarterly or annual installments, if payment is to be made in installments, the period of time over which the installments will be paid, and if the participant is permitted to defer incentive compensation into a stock unit account, whether the deferred incentive account shall be treated as a cash account or a stock unit account or split between cash and stock units. Upon subsequently being advised of the existence of special circumstances which are beyond the participant's control and which impose an unforeseen severe financial hardship on the participant or his beneficiary, the Committee may, in its sole and exclusive discretion, modify the deferral arrangement established for that participant to the extent necessary to remedy such financial hardship.

If the participant has elected to defer incentive compensation in the form of cash, the Corporation shall distribute a sum in cash to such participant, pursuant to his or her election provided for in paragraph 4. If the participant has elected to defer incentive compensation in the form of stock units, the Corporation shall distribute to such participant, pursuant to his or her election provided for in paragraph 4, shares of Common Stock of the Corporation equal to the number of stock units being settled in such installment (with any fractional unit being settled by cash payment).

6. CONVERSION OF CASH ACCOUNT BALANCE. Each participant who is permitted to defer incentive compensation into a stock unit account may, not more than once a year or such other period as is determined by the Committee, by written notice delivered to the Committee, convert the aggregate balance or any portion thereof in his or her deferred compensation cash 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 the cash balance or specified portion thereof 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 quarter in which such notice is given, said account to then accrue dividend equivalents as set forth in paragraph 7(c) 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 participant, if an Executive Officer of the Corporation, 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 a disposition or (b) may be given after an individual ceases to be an employee of the Corporation. The stock unit account will be settled in Common Stock of the Corporation and such stock unit account cannot be converted to a cash account in the future.

7. DEFERRED INCENTIVE ACCOUNT.
(a) A deferred incentive account shall be maintained by his employer for each participant in the Plan, and there shall be credited to each participant's account, on the date incentive compensation is paid, the incentive award, or portion thereof, which would have been paid to such participant on said date if the receipt thereof had not been deferred. If the account is to be a stock unit account, the incentive compensation award 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 incentive award is payable into such incentive award.

(b) If the participant has elected to defer incentive compensation in the form of cash, there shall be credited on the last day of the quarter to each participant's account, an interest credit on his deferred incentive award at the interest rates determined by the Committee to be payable during each calendar year, or portion thereof, prior to the termination of such participant's deferral period or, if the amount then credited to his deferred incentive account is to be paid in installments, prior to the termination of such installment period. Interest will be paid on a prorated basis for amounts withdrawn from the account during the quarter, with the remaining balance accruing interest for the duration of the quarter. The interest credit for the following quarter shall be a rate equal to the yield as of March 31, June 30, September 30, and December 31 on Merrill Lynch Taxable Bond Index - Long Term Medium Quality (A3) Industrial Bonds, unless and until otherwise determined.

(c) If a participant has elected to defer incentive 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 participant'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 participant's deferred compensation account on the record date for the payment of such dividend, divided by the closing price of the Corporation's Common Stock (as reported for the New York State Exchange-Composite transactions) on 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.

(d) In the event of a dividend of Common Stock declared and paid by the Corporation, an additional credit shall be made to the participant's stock unit account of a number of stock units equal to the number of shares of the Corporation's Common Stock which the participant 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.

(e) The Plan shall at all times be unfunded. The Corporation shall not be required to segregate physically any amounts of money or otherwise provide funding or security for any amounts credited to the deferred incentive accounts of participants in the Plan.

8. 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 participant participating in the Plan of the aggregate current balance of his or her deferred compensation cash account accrued on the date of the Change of Control, notwithstanding any other provision herein. If the participant has elected to defer compensation in the form of stock units, the Corporation shall distribute to such participant shares of Common Stock of the Corporation equal to the number of stock units in such participant's stock unit account on the day preceding the date of the Change of Control (with any fractional unit being settled by cash payment). Any notice by a participant to change or terminate his or her election to defer Compensation on 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, spin-off, 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 relevant change in the capitalization of the Corporation shall be appropriately adjusted for by the Board of Directors of this Corporation, and any such adjustments shall be final, conclusive and binding.

9. DESIGNATION OF BENEFICIARY. Each participant in the Plan shall deliver to the Committee a written instrument, in the form provided by the Committee, designating one or more beneficiaries to whom payment of the amount credited to his deferred incentive account shall be made in the event of his death. Unless the Committee shall otherwise determine, such payments shall be made in such amounts and at such times as they would otherwise have been paid to the participant if he had survived.

10. NONASSIGNABILITY OF PARTICIPATION RIGHTS. No right, interest or benefit under the Plan shall be assignable or transferable under any circumstances other than to a participant's designated beneficiary in the event of his death, nor shall any such right, interest or benefit be subject to or liable for any debt, obligation, liability or default of any participant. The payments, benefits or rights arising by reason of this Plan shall not in any way be subject to a participant's debts, contracts or engagements, and shall not be subject to attachment, garnishment, levy, execution or other legal or equitable process.

11. RIGHTS OF PARTICIPANTS. A participant in the Plan shall have only those rights, interests or benefits as are expressly provided in the Plan and

in the Incentive Plans. The Plan shall be deemed to be ancillary to the Incentive Plans and the rights of participants in the Plan shall be limited as provided in the Incentive Plans.

12. CLAIMS FOR BENEFITS. Claims for benefits under the Plan shall be filed with the Committee. Written notice of the disposition of a claim shall be furnished the claimant within 60 days after the application therefor is filed. In the event the claim is denied, the reasons for the denial shall be specifically set forth. Pertinent provisions of this Plan shall be cited. In addition, the written notice shall describe any additional material or information necessary for the claimant to perfect the claim (along with an explanation of why such material or information is needed), and the written notice will fully describe the claim review procedures of paragraph 13 below.

13. CLAIM REVIEW. Any claimant who has been denied a benefit shall be entitled, upon request to the Committee, to receive a written notice of such action, together with a full and clear statement of the reasons for the action. The claimant may also review this Plan if he chooses. If the claimant wishes further consideration of his position, he may request a hearing. The request, together with a written statement of the claimant's position, shall be filed with a Committee member no later than 60 days after receipt of the written notification provided for above. The Committee shall schedule an opportunity for a full and fair hearing of the issue within the next 60 days. The decision following the hearing shall be made within 60 days and shall be communicated in writing to the claimant. If the claimant requests, the hearing may be waived, in which case the Committee's decision shall be made within 60 days from the date on which the hearing is waived and shall be communicated in writing to the claimant.

14. AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN. The Board of Directors of the Corporation (the Board) may from time to time amend, suspend or terminate the Plan, in whole or in part, and if the Plan is suspended or terminated, the Board may reinstate any or all provisions of the Plan, except that no amendment, suspension or termination of the Plan shall, without the consent of a participant, adversely affect such participant's right to receive payment of the entire amount credited to his deferred incentive account on the date of such Board action. In the event the Plan is suspended or terminated, the Board may, in its discretion, direct the Committee to pay to each participant the amount credited to his account either in a lump sum or in accordance with the Committee's prior determination regarding the method of payment.

15. EFFECTIVE DATE.

The Plan shall become effective on the date of its approval by the Human Resources Committee of the Viad Corp Board of Directors or on such other date as the Human Resources Committee may direct, but the Plan shall become operative with respect to a select group of management or highly compensated employees of each subsidiary only upon the adoption of the Plan by that subsidiary's Board of Directors.

EXHIBIT 10.L

THE VIAD CORP

SUPPLEMENTAL PENSION PLAN

(AMENDED AND RESTATED AS OF DECEMBER 1, 1999), PREVIOUSLY
AMENDED AND RESTATED AS OF SEPTEMBER 30, 1997 AND PRIOR THERETO,

ON JANUARY 1, 1987

1. PURPOSE

The purpose of the Viad Corp Supplemental Pension Plan (hereinafter referred to as the "Plan") is to provide deferred compensation to Eligible Employees (as defined in paragraph 2) on and after January 1, 1976. It is the intention of Viad Corp (hereinafter called the "Company") that Eligible Employees are those employees designated by the Company, or the Chief Executive Officer of the Company, pursuant to paragraph 2, from a select group of management or highly-compensated employees of the Company, or any of its subsidiaries or affiliates (hereinafter referred to as "Subsidiaries") and that the Plan continue to be eligible for exemptions under Parts 1, 2, 3 and 4 of Title I of ERISA and U.S. Department of Labor regulations. It also is the intention of the Company that the Plan be unfunded, that any Eligible Employee's rights under the Plan are those of a general creditor only, and that there be no elections with respect to any benefits under the Plan by Eligible Employees. Subject to rights and benefits expressly fixed by the terms hereof, the Company also intends that the Plan may be amended or terminated and that benefits may be reduced or eliminated as the Board of Directors of the Company determines from time to time and that individuals' rights may be altered.

2. PARTICIPATION

An employee of the Company (or any of its Subsidiaries) may become eligible to participate in the Plan (referred to herein as "Eligible Employee") when approved by the Board of Directors of the Company (or a committee thereof), or by the Chief Executive Officer of the Company, as specifically designated in each Schedule of Benefits (which is attached hereto, and by this reference made a part hereof). A list of Eligible Employees with respect to each Schedule of Benefits is correspondingly denominated and attached as an exhibit to the Plan (referred to herein as "Exhibit") and each such Exhibit shall be periodically updated.

3. FUNDING

No fund shall be established to provide for the payment of benefits under the Plan. No trust, other than one which will not cause the Plan to be "funded" under current Internal Revenue Service and U.S. Department of Labor regulations and rulings, shall be created. Any rights of an Eligible Employee or any other person claiming by or through him or her shall be those of a general creditor of the Company only. The Company may create book reserves or take such other steps as it deems appropriate to provide for its expected liabilities under the Plan.

4. CATEGORIES OF BENEFIT PAYMENTS TO ELIGIBLE EMPLOYEES

Benefits shall be payable by the Company in accordance with the terms and conditions of the Plan and as described in each Schedule of Benefits to the Eligible Employees described in each such Schedule of Benefits and its corresponding Exhibit.

5. RETIREMENT BENEFITS

Except, as otherwise expressly provided in the Plan or in a Schedule of Benefits, the Plan shall make monthly payments to an Eligible Employee at the same time such Eligible Employee receives or would be deemed to receive under any Schedule of Benefits his or her pension benefits under the pension plan(s) sponsored by the Company, or any of its Subsidiaries, (herein, and in any Schedule of Benefits, referred to for the purposes of the Plan as "the time of his or her retirement"), but in no event shall monthly payments begin before such Eligible Employee has attained the age of 55 and has actually left the employ of the Company or its Subsidiaries. Unless otherwise expressly stated in a Schedule of Benefits, such monthly payments shall be equal to the amount by which the sum of the monthly pension benefits payable to the Eligible Employee from all pension plans sponsored by the Company or any of its Subsidiaries, other than this Plan and a plan qualified under Internal Revenue Code Section
401(k), (hereinafter called "Pension Plans"), is less than the aggregate amount(s) determined under the applicable Schedule(s) of Benefits. In making this determination, the amount(s) from such Pension Plan(s) shall be determined prior to the election of any payment options (such as joint and survivor elections) and without regard to Internal Revenue Code Section 415 or any other law or regulation which would limit benefit amounts from such Pension Plan(s). In addition, when an Eligible Employee is a participant in more than one Pension Plan and benefits under any one of such Pension Plans are not available immediately on account of early retirement eligibility provisions, then, for the purposes of the Plan, such benefits shall be taken into account as though payable immediately on an actuarially equivalent basis, as reasonably determined by the Viad Retirement Committee ("Committee") in its sole discretion.

6. FINAL AVERAGE EARNINGS

Final Average Earnings for purposes of Schedules A, B, B', C and E shall be as defined in the Viad Corp Retirement Income Plan (hereinafter, "VCRIP") plus amounts that were not included in Final Average Earnings because such amounts were deferred and, for Schedules A, B, B' and C only, the average of the highest five calendar years of Management Incentive Plan (hereinafter, "MIP") (or its predecessor or successor Plan) awards (whether paid or deferred) made to him or her while in continuous service, except that for Schedules B, C, and E, when calculating Final Average Earnings for years following December 31, 1997 only one-half of MIP (if MIP is included in the calculation of compensation) shall be used and there shall be applied a transition benefit calculation as more fully described in the appropriate Schedules. Any deferrals included in Final Average Earnings by reason hereof shall only be used once in calculating such Final Average Earnings.

7. OPTIONAL FORMS

If any pension benefit is payable to an Eligible Employee from a Pension Plan, and an optional form of payment is elected under that Pension Plan, then a similar election will be deemed made under the Plan. If two or more such pensions are payable from such other Pension Plans, then the option selected from the Pension Plan generating the largest monthly pension payment (include the beneficiary designation in connection with such option and benefits, if applicable) shall prevail for the purposes of the Plan. Notwithstanding the foregoing, no lump sum distributions shall occur to be permitted hereunder.

8. LISTING OF ELIGIBLE EMPLOYEES

A listing of Eligible Employees shall be maintained in the form of the Exhibits to the Plan. Exhibit A shall contain those covered under Schedule A, and so on for B, B', C, D, and E. If an employee is incorrectly included or excluded from an Exhibit, actual entitlement to participation and benefits under the Plan shall be reasonably determined by the Committee in its sole discretion.

9. SURVIVOR'S BENEFIT

If while covered by this program, for purposes other than a terminated vested benefit, an Eligible Employee dies and if on the date of his or her death such Eligible Employee is:

a) Covered by Schedule A, B, B', C, D or E and has 5 years of service; or

b) 55 years of age or older;

then his or her Eligible Spouse, as defined in the VCRIP shall be entitled to a survivor's benefit. This survivor's benefit shall be calculated by assuming that the Eligible Employee (i) was 55 years of age (or his actual age if older) on the date of death; (ii) retired under the VCRIP on the first day of the month following his or her death; and (iii) elected a Single Life Annuity. The Eligible Spouse will be entitled to receive 1/2 of this benefit which shall be further reduced by 1/6 of 1% for each month the Eligible Spouse is more than 60 months younger than the Eligible Employee.

The survivor's benefit under this paragraph 9 shall be reduced by any spousal survivor's benefit payable from any qualified defined benefit plan (other than a
Section 401(k) plan or an Employee Stock Ownership Plan) sponsored by the Company when such benefit becomes payable, as reasonably determined by the Committee in its sole discretion.

10. VESTING

In addition to all the terms and conditions of the Plan, no Eligible Employee or beneficiary shall be entitled to a benefit under the Plan unless such Eligible Employee has actually attained fully vested status in a Pension Plan which is qualified under Internal Revenue Code Section 401 and which is mentioned in any Schedule of Benefits covering the Eligible Employee, as reasonably determined by the Committee in its sole discretion. Notwithstanding any other provision hereof, any Eligible Employee hereunder who has accumulated five years of service with the Company and its Subsidiaries taken as a whole, ignoring breaks in service, shall be fully vested and entitled to benefits hereunder.

11. ADMINISTRATION, AMENDMENT, MODIFICATION, AND TERMINATION OF THE PLAN

The Board of Directors of the Company may terminate the Plan or any Schedule of Benefits at any time. Any amounts vested under the Plan prior to any such termination shall continue to be subject to the terms, conditions, and elections in effect under the Plan when the Plan is terminated. The Plan may be amended at any item or from time to time by the Board of Directors of the Company. The Company shall have full power and authority to interpret and administer the Plan, to promulgate rules of Plan administration, to adopt a claims procedure, to conclusively settle any disputes as to rights or benefits arising from the Plan, and to make such decisions or take such actions as the Company, in its sole discretion, reasonably deems necessary or advisable to aid in the proper administration and maintenance of the Plan.

12. MISCELLANEOUS

The Plan, and any determination made by the Committee or the Company in connection therewith, shall be binding upon each Eligible Employee, his or her beneficiary or beneficiaries, heirs, executors, administrators, successors and assigns. Notwithstanding the foregoing sentence, no benefit under the Plan may be sold, assigned, transferred, conveyed, hypothecated, encumbered, anticipated or otherwise disposed of, and any attempt to do so shall be void. No such benefit payment shall be, prior to actual receipt thereof by the Eligible Employee, or his or her beneficiary or beneficiaries, as the case may be, in any manner subject to the debts, contracts, liabilities or engagements of such

Eligible Employee or beneficiary(ies). The Plan shall not constitute, nor be deemed to constitute, a contract of employment between the Company, or any of its Subsidiaries, and any Eligible Employee, nor shall any provision hereof restrict the right of the Company or any of its Subsidiaries to discharge any Eligible Employee from his or her employment, with or without cause.

SCHEDULE A

The benefits payable under this Schedule of Benefits are in lieu of, not in addition to, any other benefit provided for in this Plan, it being the intent of the Company that (i) benefits shall be payable under this Schedule of Benefits only if it generates the largest monthly benefits when compared to other benefits to which the Eligible Employee is otherwise entitled under the Plan, and (ii) benefits payable under this Schedule of Benefits shall be the only benefits payable to an Eligible Employee under the Plan. The provisions of this Schedule A shall not be construed to modify or limit the provisions of any other Schedule of Benefits to the extent such other Schedule of Benefits deems certain facts to be true for the purposes of the Plan.

Benefits may be payable under this Schedule of Benefits in respect of persons employed by the Company who are selected by the Board of Directors for inclusion under this Schedule of Benefits. The amount used to determine the monthly benefit payable to any Eligible Employee under paragraph 5 of the Plan is as follows:

A monthly Pension calculated as though the selected person was a member of the VCRIP and based on the rules of that Plan applicable at the time of his or her retirement, except that the following Table of retirement benefits expressed as a percentage of Final Average Earnings shall be used. For purposes of this Schedule of Benefits, Final Average Earnings shall be as defined in paragraph 6 of the Plan.

Years of Service	% of FAE	% of Soc. Sec.	Years of Service	% of FAE	% of Soc. Sec.
1	3	2.5	11	33	27.5
2	6	5.0	12	36	30.0
3	9	7.5	13	39	32.5
4	12	10.0	14	42	35.0
5	15	12.5	15	45	37.5
6	18	15.0	16	48	40.0
7	21	17.5	17	51	42.5
8	24	20.0	18	54	45.0
9	27	22.5	19	57	47.5
10	30	25.0	20	60	50.0

Notwithstanding the foregoing, awards under the Management Incentive Plan, shall be counted only once for purposes of this Schedule of Benefits, but on the basis generating the largest Final Average Earnings.

The benefit derived from this Table of Benefits shall be payable on the later of the first day of the month following termination of employment or the first day of the month following the month in which the participant attains age 55. The benefit shall not be subject to any reduction resulting from the Eligible Employee's election to retire prior to his or her normal retirement date. If the Eligible Employee is married on the date of his or her retirement, the benefit shall be paid in the form of a 50% Joint Survivorship Annuity and shall not be reduced to reflect such form of payment.

If the Eligible Employee elects any other optional form of payment under the VCRIP then the reduction in such optional form of benefit shall be based on the unreduced, 50% Joint & Survivor Annuity benefit.

Eligible Employees under this Schedule are listed on Exhibit A to this Plan.

SCHEDULE B

Benefits may be payable under this Schedule of Benefits in respect of persons employed by the Company who are selected by the Chief Executive Officer of the Company. The amount used to determine the monthly benefit payable to an Eligible Employee under paragraph 5 of the Plan is as follows:

A monthly pension based on the rules of the VCRIP (in effect on December 31, 1988) for the Eligible Employee and calculated under those rules for years of service up to and including December 31, 1997. For years of service beginning January 1, 1998, the rules of the Amendment to the VCRIP Appendix: Greyhound Employees' Retirement Income Plan, effective January 1, 1998 ("the Appendix") shall apply, except that for purposes of the Employee's Average Monthly Compensation, the calculation of Final Average Earnings as set forth in Paragraph 6 of the Plan shall be used. For the purposes of this Schedule of Benefits, the amount of normal Retirement Pension with respect to compensation and credited service shall be the sum of the benefit determined under
(a) and (b) below;

(a) The Eligible Employee's Accrued Benefit as of December 31, 1997, if any, determined in accordance with the terms of this section as in effect immediately prior to January 1, 1998, multiplied by a fraction (not less than one), the numerator of which is the Eligible Employee's current Average Monthly Compensation, and the denominator of which is the Eligible Employee's Average Monthly Compensation determined as of December 31, 1997, with such calculations being determined based on the definitions of "Compensation" and "Average Monthly Compensation" as set forth in the Appendix as of December 31, 1997.

(b) With respect to an Eligible Employee's Credited Service determined with respect to periods after December 31, 1997, the monthly amount of such normal Retirement Pension shall be the sum of the benefit determined under (1) and (2) below:

(1) 1.15 percent of the lesser of the Eligible Employee's Average Monthly Compensation or his Covered Compensation, multiplied by his Credited Service for periods after 1997, plus

(2) 1.70 percent of the excess, if any, of the Eligible Employee's Average Monthly Compensation over his Covered Compensation, multiplied by his Credited Service for periods after 1997.

A Eligible Employee's Credited Service under this paragraph (b) shall be limited to 30 years minus any Credited Service taken into account for purposes of any calculation under paragraph (a) above.

The Benefit shall be subject to no reduction if the Eligible Employee retires on or following his or her 60th birthday; and a reduction of .25% for each month his or her retirement precedes his or her 60th birthday. In no event, however, may an Eligible Employee retire prior to his or her 55th birthday. If the Eligible Employee is married on the date of his or her retirement, the benefit shall be paid in the form of a 50% Joint Survivorship Annuity and shall not be reduced to reflect such form of payment.

If the Eligible Employee elects any other optional form of payment under the VCRIP the reduction in such optional form of benefits shall be based on an unreduced, 50% Joint & Survivor Annuity benefit.

Eligible Employees under this Schedule B are listed on Exhibit B to the Plan.

SCHEDULE B'

Benefits may be payable under this Schedule of Benefits in respect of persons employed by the Company who are selected by the Board of Directors of the Company. For the purposes of this Schedule of Benefits, Final Average Earnings ("FAE") shall be as defined in paragraph 6 of the Plan. The amount used to determine the monthly benefit payable to an Eligible Employee under paragraph 5 of the Plan is the greater of (1) or (2) below:

(1) A monthly pension based on the rules of the VCRIP (in effect on December 31, 1988) for the Eligible Employee. The Benefit shall be subject to no reduction if the Eligible Employee retires on or following his or her 60th birthday; and a reduction of .25% for each month his or her retirement precedes his or her 60th birthday. In no event, however, may an Eligible Employee retire prior to his or her 55th birthday.

(2) If the Eligible Employee is actively employed by Viad Corp at such time as the Eligible Employee obtains age 58 and continues to be actively employed upon the attainment of the ages shown in Table A below, a monthly pension based on the amount derived from Table A below, offset by the amounts in Table B below.

Table A

Upon attainment of the following age:	The following percentage of Final Average Earnings:
58	30%
59	40%
60	50%
61	52%
62	54%
63	56%
64	58%
65	60%

The above percentages of FAE shall be attained only upon the Eligible Employee's birthday without any interpolation for retirements between birthdays.

Table B

Upon retirement at The following ages:	the following monthly offset:	
58	$2,706	And all of the monthly amounts payable
59	$2,912	to the Eligible Employee from VCRIP and

60	$3,130	any and all special retirement benefits paid
61	$3,173	pursuant to any Change in Control
62	$3,216	provisions set forth in any agreements by
63	$3,257	and between the Eligible Employee and
64	$3,295	Viad Corp, (including the Executive
65	$3,327	Severance Agreement entered into in
		January of 1997) as such provisions
		enhance retirement benefits.

In the event of a Change of Control, the Eligible Employee will receive a retirement benefit equal to the greater of the retirement benefit calculated (a) pursuant to the Change of Control provisions set forth in any agreements by and between Eligible Employee and Viad Corp (including the Executive Severance Agreement entered into in January of 1997) or (b) by using the Schedule B' as described above.

If the Eligible Employee is married on the date of his or her retirement, the benefit shall be paid in the form of a 50% Joint Survivorship Annuity and shall not be reduced to reflect such form of payment.

If the Eligible Employee elects any other optional form of payment under the VCRIP then the reduction in such optional form of benefits shall be based on an unreduced, 50% Joint & Survivor Annuity benefit.

Eligible Employees under this Schedule B' are listed on Exhibit B' to the Plan.

SCHEDULE C

Benefits may be payable under this Schedule of Benefits in respect of persons employed by the Company who are selected by the Chief Executive Officer of the Company. The amount used to determine the monthly benefit payable to an Eligible Employee under paragraph 5 of the Plan is as follows:

A monthly pension based on the rules of the VCRIP for the Eligible Employee applicable at the time of his or her retirement, but subject to the preservation of the December 31, 1997 benefit set forth in the Amendment to the VCRIP Appendix: Greyhound Employees' Retirement Income Plan effective January 1, 1998. For the purposes of this Schedule of Benefits, Final Average Earnings shall be as defined in paragraph 6 of the Plan.

Consistent with the Amendment to the VCRIP Appendix: Greyhound Employees' Retirement Income Plan, effective January 1, 1998, there shall be a transition benefit calculation. The transition benefit calculation shall apply to Eligible Employees who elect early retirement under VCRIP. The calculation compares the
(1) early retirement amount using the accrued benefit determined as of December 31, 1997 and multiplied by the applicable early retirement reduction factor in effect as of December 31, 1997 with (2) the early retirement amount determined by adding the accrued benefit on 12/31/97 to the accrued benefit determined under the formula in effect on and after January 1, 1998 for years of service after 1/1/98 and multiplied by the applicable early retirement reduction factor in effect as of 1/1/98. The Eligible Employee shall receive the higher of the two benefit calculations.

Eligible Employees under this Schedule C are listed on Exhibit C to the Plan.

SCHEDULE D

Benefits may be payable under this Schedule of Benefits in respect of persons employed by the Company who are selected by the Chief Executive Officer ("CEO") of the Company. The amount used to determine the monthly benefit payable to an Eligible Employee under paragraph 5 of the Plan is as follows:

A monthly pension based on the rules of the VCRIP for the Eligible Employee applicable at the time of his or her retirement. Final Average Earnings shall be as defined in paragraph 6 of the Plan, (or another applicable schedule of the Plan) except that 100% of the final five (or high five if from schedules A, B, B', or C of this Plan) MIP awards (whether paid or deferred) shall be considered in calculating Final Average Earnings.

For purposes of this Schedule D only, Eligible Employees shall be defined to mean only those employees selected by the CEO who are eligible to receive MIP and who have reached age 55 or older on or before December 31, 1997.

Coverage of an Eligible Employee under this Schedule D neither requires nor precludes the Eligible Employee's coverage under another Schedule of Benefits. However, coverage under this Schedule D also does not provide duplication of benefits for an Eligible Employee who, in addition to being covered under this Schedule D is covered under another Schedule of Benefits. If an Eligible Employee is covered under one or more Schedules, the Schedule producing the highest benefit shall be used to make the determination of benefits.

Eligible Employees under this Schedule D are listed on Exhibit D to the Plan.

SCHEDULE E

Employees who participate in the VCRIP and its appendices (the "Qualified Plan") automatically become Eligible Employees under this Schedule E if their benefits under the Qualified Plan are limited by Internal Revenue Code Section 401(a)(17) or Section 415. The Company shall administratively identify the Eligible Employees under this Schedule E, based on the effect of such Internal Revenue Code provisions on their Qualified Plan benefits, and shall list them on Exhibit E. Exhibit E shall not require separate approval of the Board of Directors or the Chief Executive Officer of the Company.

Coverage of an Eligible Employee under this Schedule E neither requires nor precludes the Eligible Employee's coverage under another Schedule of Benefits. However, coverage under this Schedule E also does not provide duplication of benefits for an Eligible Employee who, in addition to being covered under this Schedule E, is covered under another Schedule of Benefits. The Company may determine and communicate an Eligible Employee's aggregate benefit under this Plan by considering this Schedule E together with any other Schedule of Benefits that happens to cover the Eligible Employee. Subject to the foregoing, the amount of benefit attributable to this Schedule E and payable to an Eligible Employee pursuant to paragraph 5 of the Plan shall be determined as:

A monthly pension based on the benefit schedule(s) and rules of the Qualified Plan applicable to the Eligible Employee at the time of his or her retirement. For purposes of this Schedule of Benefits, Final Average Earnings shall be as defined in the Qualified Plan (subject to any modifications under paragraph 6 of this Plan, if applicable) with respect to the Eligible Employee, and shall be determined without regard to the annual limit of $160,000 (as adjusted) that applied under the Qualified Plan pursuant to Internal Revenue Code Section 401(a)(17). In addition, the pension computed in this manner shall not be reduced on account of the Internal Revenue Code Section 415 limitations that apply under the Qualified Plan.

Exhibit 10.Q

VIAD CORP DIRECTOR'S CHARITABLE MATCHING PROGRAM

The Director's Charitable Matching Program provides for corporate matching of charitable contributions made by nonemployee directors, on a dollar-for-dollar basis, up to an aggregate maximum of $5,000 per year.

EXHIBIT 21

VIAD CORP
(DELAWARE)

Active Subsidiaries and Affiliates* as of March 10, 2000

CONVENTION AND EVENT SERVICES GROUP

EXG, Inc. (Delaware)
Giltspur Exhibits of Canada, Inc. (Ontario) Exhibit Acquisition, Inc. (Pennsylvania) GES Exposition Services (Canada) Limited (Canada)
Exposervice Standard Inc. (Canada)
Clarkson-Conway Inc. (Canada)
Stampede Display and Convention Services Ltd. (Alberta)
GES EXPOSITION SERVICES, INC. (Nevada)
ESR Exposition Service, Inc. (New Jersey) Expo Accessories, Inc. (New York)
Expo Display & Design, Inc. (New Jersey) Shows Unlimited, Inc. (Nevada)
Tradeshow Convention Services Inc. (Washington) David H. Gibson Company, Inc. (Texas)
Ontario Design, Inc. (New York)
Viad Holding GmbH (Germany)
Voblo Verwaltungs GmbH (Germany) (80%)

CORPORATE AND OTHER

GCMC Inc. (Arizona)
Viad Realty Corporation (Arizona)
Greyhound Realty of Texas Inc. (Texas) Viad Service Companies Limited (United Kingdom) VREC, Inc. (Delaware)

PAYMENT SERVICES GROUP

TRAVELERS EXPRESS COMPANY, INC. (Minnesota)
CAG Inc. (Nevada)
FSMC, Inc. (Minnesota)
Game Financial Corporation (Minnesota) GameCash, Inc. (Minnesota)
Game Financial Corporation of Louisiana (Louisiana) Game Financial Corporation of Mississippi (Mississippi) Game Financial Corporation of Wisconsin (Wisconsin) MoneyGram Payment Systems, Inc. (Delaware) Consorcio Oriental LLC (Delaware)
Mid-America Money Order Company (Kentucky) MoneyGram Payment Systems (Canada), Inc. (Ontario) MoneyGram International Limited (United Kingdom) (51%) Travelers Express Co. (P.R.) Inc. (Puerto Rico)

TRAVEL AND RECREATION SERVICES GROUP

Big Sky Hospitality, Inc. (Arizona)
Big Sky Hospitality (Canada) Ltd. (Alberta) Glacier Park, Inc. (Arizona) (80%)
Waterton Transport Company, Limited (Alberta) Greyhound Maintenance, Inc. (Arizona)
ProDine, Inc. (Arizona)
TRANSPORTATION LEASING CO. (California)~~
Greyhound Canada Holdings, Inc. (Alberta)~~ Brewster Tours Inc. (Canada)
BREWSTER TRANSPORT COMPANY LIMITED (Alberta)
Brewster Inc. (Alberta)

*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.

~~ Indicates a Corporate and Other Subsidiary

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. 33-54465, and 33-55360 on Form S-3 and Nos. 33-41870, 333-63397, 333-35231, and 333-63399 on Form S-8 of Viad Corp, of our report dated February 17, 2000, appearing in this Annual Report on Form 10-K of Viad Corp for the year ended December 31, 1999.

/s/ DELOITTE & TOUCHE LLP

Phoenix, Arizona

March 15, 2000

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each director whose signature appears below constitutes and appoints Robert H. Bohannon and Catherine L. Stevenson, 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, 1999, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, 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 ----------------------------- *Jess Hay*	*February 17, 2000*
/s/ Judith Hofer ----------------------------- *Judith K. Hofer*	*February 17, 2000*
/s/ Jack F. Reichert ----------------------------- *Jack F. Reichert*	*February 17, 2000*
/s/Linda Johnson Rice ----------------------------- *Linda Johnson Rice*	*February 17, 2000*
/s/ Douglas L. Rock ----------------------------- *Douglas L. Rock*	*February 17, 2000*
/s/ John C. Tolleson ----------------------------- *John C. Tolleson*	*February 17, 2000*
/s/ Timothy R. Wallace ----------------------------- *Timothy R. Wallace*	*February 17, 2000*

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM VIAD CORP'S FORM 10-K FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

MULTIPLIER: 1,000

PERIOD TYPE	12 MOS
FISCAL YEAR END	DEC 31 1999
PERIOD END	DEC 31 1999
CASH	33,106
SECURITIES	95,545
RECEIVABLES	45,794
ALLOWANCES	2,518
INVENTORY	73,687
CURRENT ASSETS	922,161
PP&E	563,581
DEPRECIATION	249,958
TOTAL ASSETS	5,210,871
CURRENT LIABILITIES	3,921,196
BONDS	342,603
PREFERRED MANDATORY	6,640
PREFERRED	0
COMMON	149,610
OTHER SE	559,035
TOTAL LIABILITY AND EQUITY	5,210,871
SALES	0
TOTAL REVENUES	1,581,169
CGS	0
TOTAL COSTS	1,393,383
OTHER EXPENSES	19,369
LOSS PROVISION	0
INTEREST EXPENSE	26,888
INCOME PRETAX	163,595
INCOME TAX	35,036
INCOME CONTINUING	128,559
DISCONTINUED	218,954
EXTRAORDINARY	0
CHANGES	0
NET INCOME	347,513
EPS BASIC	3.72
EPS DILUTED	3.59

End of Filing