

**ADDITIONAL INFORMATION CONCERNING
THE PLAN OF ADMINISTRATION AND DISTRIBUTION**

I. INTRODUCTION

Pursuant to page 7 of the long-form Notice of Class Action Settlement (“Notice”) sent to class members and posted on www.paymentcardsettlement.com, Class Counsel, after examination of data received and in consultation with the Class Administrator and experts, hereby provide further details regarding the Plan of Administration and Distribution (the “Plan”) governing the administration and distribution of both the Net Cash Settlement Fund (the “Cash Fund”) and the Net Interchange Settlement Fund (the “Interchange Fund”). The procedures the Class Administrator will use to administer and pay claims made by members of the Rule 23(b)(3) Settlement Class to the Cash Fund are described in §II.A below.¹ The procedures the Class Administrator will use to administer and pay claims made by members of the Rule 23(b)(3) Settlement Class to the Interchange Fund are described in §II.B below.

II. FUNDS TO BE DISTRIBUTED TO CLASS MEMBERS

A. Cash Fund

The Cash Fund shall consist of the \$6,050,000,000 Total Cash Payment Amount plus any interest earned, less, as approved by the Court: (i) the Taxes and administrative costs related to the Class Settlement Cash Escrow Account(s); (ii) any Class Exclusion Takedown Payments²; and (iii)

¹ All capitalized words have the meanings set forth in the Definitions section of the Class Settlement Agreement, or as defined in this Plan.

² Class Exclusion Takedown Payments shall be made to Visa and MasterCard to account for Opt Outs, up to a cap of 25% of the Total Cash Payment Amount, and shall be calculated as set forth in the Class Settlement Agreement, ¶¶8-20.

any other payments authorized by the Court, including for Attorneys' Fee Awards, Expense Awards, Class Plaintiffs' Awards, and Settlement Administration Costs.

1. Administrating Claims Made by Authorized Interchange Claimants to the Cash Fund

Class Counsel propose distributing the Cash Fund to members of the Rule 23(b)(3) Settlement Class entitled to receive a payment from the Cash Fund ("Authorized Cash Claimants") through a process that is fair and equitable and which distributes the Cash Fund in accordance with the relative economic interests as measured by the interchange amounts attributable to the Visa- and MasterCard-Branded Card sales transactions of the members of the class. At the same time, Class Counsel seek to ensure that the administration is as simple and cost-effective as possible and imposes minimal burdens on class members that file claims ("Claimants"). Consistent with these goals, the Plan will allocate the Cash Fund among Authorized Cash Claimants in a way that is fairly proportional to the relative economic interests of the class members, and will rely, to the extent possible, on data available to Class Counsel and the Class Administrator.

Class Plaintiffs claim that the Defendants' challenged conduct damaged class members by increasing the interchange rate applied to their Visa- and MasterCard-Branded Card transactions. Thus, the Plan proposes to determine the amount of each authorized claim based upon the best available information or a reasonable estimate of the total amount of interchange fees attributable to each Authorized Cash Claimant on its Visa- and MasterCard-Branded Card transactions during the period January 1, 2004 to November 28, 2012 ("Settlement Class Period") with no "netting" or reductions based on rebates, marketing support or promotional payments, or otherwise ("Interchange Fees Paid").

Class members' claim values will be valued in the following manner:

The principal databases on which the Class Administrator will rely to determine Visa Interchange Fees Paid are Visa databases known as the SQL-AIM Database and the MISD Database (collectively referred to as the "Visa Transactional Data"). These databases generally identify, among other things, Visa-Branded Card sales transaction amounts, and the amount of Interchange Fees Paid on Visa-Branded Card transactions during the Settlement Class Period. Visa has produced the SQL-AIM Database and the MISD Database for the period from January 2004 through November 2012. Together the databases include all U.S. Visa-Branded Card transactions processed through Visa's systems.

Based on the data processing and analysis completed to date by the Class Administrator and an expert retained by Class Counsel, it is believed that the transactional data obtained from Visa contains the vast majority of Interchange Fees Paid on Visa-Branded Card transactions by members of the Rule 23(b)(3) Settlement Class during the Settlement Class Period. While the data received from MasterCard and various acquirers were of assistance in developing the Notice database, data obtained from MasterCard and various acquirers either lack sufficient coverage and consistency and/or do not include sufficient transactional information on Interchange Fees Paid to provide meaningful and systematic assistance in valuing claims. For that reason, claims will be valued based upon the Visa Interchange Fees Paid data, where available.³

³ Claimants who may have a disproportionate share of transaction volume on MasterCard-Branded Cards, because of, for example, a co-brand agreement may request that the Class Administrator attempt to access its transaction volume and Interchange Fees Paid data in the MasterCard data or submit information from which its MasterCard Interchange Fees Paid can be accurately estimated.

In order to link the Visa transactional information to individual members of the Rule 23(b)(3) Settlement Class, the Class Administrator will rely on merchant identifying information produced by Visa, MasterCard and various acquirers. For example, Visa produced a second database, known as the Visa Merchant Profile Database, or VMPD, that provides merchant identifying information, for the Settlement Class Period, for a large portion of the Rule 23(b)(3) Settlement Class.

Where the Claimant is located in the data obtained by Class Counsel from Visa, the face value of its claim will be equal to the amount of actual Interchange Fees Paid on Visa-Branded Cards as reflected in that data. Once ascertained, the Class Administrator will provide the actual⁴ amount of Interchange Fees Paid by each Authorized Cash Claimant found in the Visa data to the Claimant who will be able to elect to accept or contest the accuracy of the Interchange Fees Paid information.⁵

If a Claimant's data is not located in the Visa databases and cannot be located with reasonable effort, the Class Administrator will request and consider information provided by the Claimant in conjunction with other available information to make reasonable estimates of Visa-

⁴ Reasonable estimates may be provided by the Class Administrator for a small number of discrete months in which actual Interchange Fees Paid data is not available from Visa and/or for the one fractional month within the Settlement Class Period (November 1, 2012 through November 28, 2012).

⁵ For any calendar year, or part thereof, in which an Authorized Cash Claimant had an agreement with Visa or MasterCard under which the merchant received customized interchange rates, such Claimant may elect to have its Visa or MasterCard Interchange Fees Paid estimated, in lieu of the Interchange Fees Paid amounts shown in the data utilized by the Class Administrator, by multiplying its relevant Visa or MasterCard credit, signature debit, and PIN debit transaction volume by the respective average effective credit, signature debit, and PIN debit interchange rates across the merchant's applicable merchant category (or merchant categories) for that time period. In order for a Claimant to qualify for such an election, the Class Administrator must confirm with Visa or MasterCard that the Claimant had an agreement with Visa or MasterCard in which it received customized interchange rates, for such time period.

Branded Card Interchange Fees Paid in order to value such Claimant's claim in the following manner based on the nature of information which is available to estimate the claim:

1. Where Visa-Branded Card sales transaction volume and the average default Visa interchange rates for the Claimant are both known based on information provided by the Claimant, the face value of the will be determined by multiplying the Claimant's Visa-Branded Card sales transaction volume by the known average default Visa interchange rates;

2. Where the Visa-Branded Card sales transaction volume is known, but the actual average default Visa interchange rates are not known based on information provided by the Claimant, the face value of the claim will be determined by multiplying the Visa-Branded Card sales transaction volume by the average annual default interchange rates applicable to the Claimant's merchant category as calculated by the Class Administrator⁶;

3. Where the Visa-Branded Card sales transaction volume is not known, but total payment card sales volume is known based on information provided by the Claimant, the face value of the claim will be determined first by estimating Visa-Branded Card volume using annual credit and debit card sales share figures from *The Nilson Report* for each year during which the Claimant accepted payment cards and then by multiplying the estimated Visa-Branded Card sales transaction volume by the average annual default Visa interchange rate applicable to the Claimant's merchant category; and

4. Where a Claimant's total payment card volume is not known, but a Claimant's total annual retail sales volumes, including all payment methods, and period of acceptance of Visa- and/or MasterCard- Branded Cards, is known based on information provided by the Claimant, the Claimant's annual Visa-Branded Card sales transaction volume will be estimated based on Visa-Branded Card information from the annual Visa Payment Systems Panel (PSP) studies.⁷ The Claimant's annual Visa-Branded Card sales volume will be estimated based on annual credit and debit card sales share figures obtained from *The Nilson Report* and the Claimant's estimated annual

⁶ Average annual default Visa interchange rates applicable to merchant categories will be computed from the Visa Transactional Data.

⁷ The Visa PSP studies include data by merchant category including the percentage of sales volume accounted for by credit and debit card sales. The Visa PSP study data are collected annually through surveys of 19,200 consumers located across the continental U.S. The PSP survey participants' record information about their purchases for specified periods, including the type of payment method used and the category of merchant the purchased was made. The types of merchant categories included in the Visa PSP survey are broad, and include 100 total categories, including 37 retail categories (such as automotive, grocery, drug stores, department stores), 33 travel and entertainment categories (such as restaurants, airlines, hotels/motels, and movie theatres) , and 33 service categories (such as charities, insurance, postal service, and telephone companies).

Interchange Fees Paid on Visa-Branded Cards will be determined by multiplying that amount by the average interchange rate applicable to the Claimant's merchant category.

If a Claimant believes that the total Interchange Fees Paid as reflected in the Visa data provided by the Class Administrator to the Claimant is incomplete or if the Class Administrator is unable to provide any Interchange Fees Paid data for a member of the Rule 23(b)(3) Settlement Class based on the information then known to it, the Class Administrator may solicit additional information from the Claimant to assist it in querying the Visa databases in an effort to supplement or locate the relevant information for the Claimant. This additional information may include, but is not limited to: (a) location address; (b) payment processor name; and (c) card acceptor identifier for each location at which the Claimant accepted Visa for payment during the Settlement Class Period.

The Class Administrator will inform each Claimant of its actual or estimated Visa Interchange Fees Paid as well as the Claimant's actual or estimated Visa-Branded Card sales transaction volumes. It is anticipated that this information will be provided in a subsequent mailing or email to the Claimant as part of the Claim Form package and/or will be made accessible over a secure website operated by the Class Administrator. To the extent reasonably practical, the secure website will provide the Claimant the opportunity to view its Interchange Fees Paid and sales transaction volume data broken down by year, merchant location and card acceptor identifier.

Claimants will be given the opportunity to accept the claim values as represented by the actual or estimated Interchange Fees Paid amount provided by the Class Administrator on the Claim Form or on the Class Administrator's secure website. Alternatively, Claimants will be given the opportunity to contest the accuracy of the statement or estimates of Interchange Fees Paid determined by the Class Administrator. A Claimant contesting the accuracy of the statement or estimate of Visa-Branded Card Interchange Fees Paid provided by the Class Administrator may then be required to provide additional information which may assist the Class Administrator in locating

relevant information in the Visa Transactional Data, including, but not limited to: (a) location address; (b) payment processor name; (c) card acceptor identifier for each location at which the Claimant accepted Visa during the Settlement Class Period; and (d) such other information as may be of assistance, including information detailing the nature of the asserted inaccuracy. The Class Administrator may then re-query the Visa Transactional Data using such additional information provided by the Claimant and notify the Claimant of any revised estimate of Interchange Fees Paid.

For known potential members of the Rule 23(b)(3) Settlement Class for whom the Class Administrator has not been able to determine or estimate Visa-Branded Card Interchange Fees Paid, based on the Visa Transactional Data, a form will be sent by postal mail and/or email and/or made available on the Case Website requesting: (a) location address; (b) payment processor name; and (c) card acceptor identifier for each location at which the Claimant accepted Visa during the Settlement Class Period to the extent known. The Class Administrator will then query the Visa Transactional Data using the information provided by the Claimant and notify the Claimant of its estimated Interchange Fees Paid, if possible. If the Class Administrator still cannot locate Interchange Fees Paid in the Visa Transactional Data, the Claimant will be requested to supply such information as is available to the Claimant which will support a reasonable estimate of its claim value.

Any Claimant that still disagrees with the Class Administrator's estimate of Interchange Fees Paid must state what it believes is a more accurate estimate and/or explain how it can be more accurately calculated, and include supporting documentation. The information to be supplied by the Claimant will consist of some or all of the following, by year, for the period commencing January 1, 2004 through November 28, 2012, to the extent known:

- Interchange Fees Paid;

- Merchant default interchange rates (including the date of each change of rate);
- Sales volume on which interchange fees were applied (to the extent known, broken out by network brand, credit card and debit card types);
- Merchant category code(s) used to process merchant's sales transactions; and
- Any such challenge must be in writing and must be mailed or emailed to the Class Administrator within 30 days after the date of the notice of the Class Administrator's revised estimate of Interchange Fees Paid.

To the extent needed, Class Counsel may direct the Class Administrator to engage one or more experts to assist with activities such as assigning appropriate merchant categories and/or determining appropriate default interchange rates or particular claims or groups of claims. Upon review of the Claimant's challenge and supporting documentation, the Class Administrator will make a determination whether the Interchange Fees Paid estimate should be adjusted and will notify the Claimant of its determination, together with information about how the Claimant can appeal such determination to Class Counsel, and subsequently the Court. All claims based upon Claimant-supplied information will be subject to audit.

The Class Administrator may require Claimants to provide supporting documentation and/or additional information as appropriate in connection with: (i) a challenge to a claim estimate based upon Defendant information; (ii) a request to aggregate claims; (iii) a claim submitted by a third party; (iv) a disputed claim (*e.g.*, sale of business, dissolution or bankruptcy); or (v) an audit.

It will be the responsibility of each Claimant to provide the Class Administrator with any change in its postal and/or email address and there will be a facility on the Case Website for doing so.

Prior to the dissemination of Claim Forms, the Class Administrator has established a preregistration system on the Case Website for potential Claimants to provide information to assist

the Class Administrator in the preparation of the class member's Claim Form. The requested preregistration information consists of the following:

- Contact information;
- Business information;
- Location of each operation;
- Information on each acquiring account;
- Franchise relationship, if any; and
- Best method for the Class Administrator to provide a Claim Form (by email or postal mail, or both).

An automated Excel utility allows merchants to upload their location and payment processor data via an Excel workbook. If their information changes, the merchant may securely return to the preregistration system at any time and update their submission.

2. Claim Form

If, and as soon as practicable after, the Court grants final approval of the proposed settlement and claim values are estimated for both the Cash and Interchange Funds, the Class Administrator will disseminate a Claim Form to known members of the Rule 23(b)(3) Settlement Class that have not timely and properly Opted Out. To the extent known or reasonably estimated, the Claim Form will include each respective class member's Interchange Fees Paid and transaction volumes on Visa-Branded Card transactions during the Settlement Class Period. The Claimant will complete, sign and return the Claim Form to the Class Administrator prior to the deadline stated on the Claim Form – electronically or by mail – for processing.

3. Pro Rata Distribution

Once the Class Administrator estimates Interchange Fees Paid by each Authorized Claimant on Visa-Branded Card transactions during the Settlement Class Period, it will be able to calculate the

total of such Interchange Fees Paid by all Authorized Cash Claimants. Each Authorized Cash Claimant would then be eligible to receive its pro rata share of the Cash Fund based on the Authorized Cash Claimant's Interchange Fees Paid as compared to the total amount of Interchange Fees Paid by all Authorized Cash Claimants. Distribution will be made to Authorized Cash Claimants on a pro rata basis, after the settlement has been finally approved (*i.e.*, after all appeals are concluded) and after substantially all claims have been processed and approved by the Court.

4. Distribution of Remaining Balance of Cash Fund

If there is any balance remaining in the Cash Fund after eight months following the date of the initial distribution of the Cash Fund to Authorized Cash Claimants (by reason of tax refunds, uncashed checks or otherwise), then funds will be re-distributed to Authorized Cash Claimants who have cashed their initial distributions and who would receive a payment no less than a minimum payment threshold amount from such redistribution, after payment of any unpaid costs or fees incurred in administering the Cash Fund for such redistribution. The minimum payment threshold amount shall be determined by Class Counsel after consultation with the Class Administrator regarding factors bearing on the economic feasibility of redistribution (such as the costs of mailing checks, the total amount of funds to be distributed, and the number of Authorized Cash Claimants that cashed their initial distributions), but shall be no less than \$25.00 and no more than \$100.00. Six months after such redistribution any remaining balance shall be distributed as the Court may direct according to the *cy pres* provisions in ¶30 of the Class Settlement Agreement.

B. Interchange Fund

The Interchange Fund shall consist of the Default Interchange Payments made by Visa and MasterCard following the eight-month period (commencing within 60 days after the end of the Class Exclusion Period) during which Visa and MasterCard withhold or adjust 10 basis points from the default interchange amounts that otherwise would be provided to issuers on their respective U.S.

acquired and issued Visa- and MasterCard-Branded Card transactions to which default interchange rates apply (the “Interchange Reduction Period”), exclusive of the transactions of Opt Outs and as provided in the Class Settlement Agreement, plus any earned interest and less: (i) Taxes and administrative costs related to the Class Settlement Interchange Escrow Accounts; and (ii) any payments approved by the Court, including for Settlement Administration Costs, Attorneys’ Fees Awards and Expense Awards.

1. Administering Claims Made by Authorized Interchange Claimants to the Interchange Fund

Class Counsel propose distributing the Interchange Fund to members of the Rule 23(b)(3) Settlement Class entitled to receive payment from the Interchange Fund (“Authorized Interchange Claimants”) in the same manner as the Cash Fund, except that, because this fund represents a uniform percentage of Claimants’ dollar sales volume regardless of their respective interchange rates, the Class Administrator will calculate claims as a percentage of sales volume on Visa-Branded Card sales transactions during the Interchange Reduction Period.⁸ To the extent that available data explicitly specify a particular claimant’s sales volume on Visa-Branded Credit Card transactions during the Interchange Reduction Period, this data will be utilized directly in the valuation of that claim.

Claimants’ whose dollar sales transaction volume is not available from Visa will be asked to submit credit card transaction volume figures for the eight-month period to the Class Administrator or, if payment card transaction volume information is not available to the Claimant, Visa-Branded

⁸ If comparable transaction data of sufficient coverage and utility is available for MasterCard-Branded Card sales transactions during the Interchange Reduction Period, this MasterCard data will also be utilized in the valuation of claims. Otherwise, the fund will be allocated based on Visa-Branded Card sales volume.

Card sales transaction information from which payment card transaction volume may be estimated. The Class Administrator will make what it judges to be the best, reasonably accurate estimate of such sales volume based on available data, and will make available to such Authorized Interchange Claimants the estimate of such sales volumes. Such estimates may be provided in a subsequent mailing or email to the Authorized Interchange Claimant as part of the Claim Form package and/or may be made accessible over a secure website operated by the Class Administrator.

Authorized Interchange Claimants that wish to contest the accuracy of estimates of sales volume on Visa-Branded Card transactions from the data may do so by checking a box on the notice of the Class Administrator's estimate of sales volume indicating that the Claimant disagrees with the estimate. Any Claimant that disagrees with the Class Administrator's estimate of sales volume must state what it believes is a more accurate estimate and/or explain how it can be more accurately calculated, and include supporting documentation. Any such challenge must be in writing and must be mailed or emailed to the Class Administrator within 30 days after the date of the notice of the Class Administrator's estimate of sales volume on Visa-Branded Card transactions during the Interchange Reduction Period. Upon review of the Claimant's challenge and supporting documentation, the Class Administrator will make a determination whether the sales volume estimate should be adjusted and will notify the Claimant of its determination, together with information about how the Claimant can appeal such determination to Class Counsel, and subsequently the Court.

To the extent data available from Visa does not explicitly specify sales volume information, Class Counsel may seek this information from Claimants.

2. Pro Rata Distribution

The Class Administrator will determine a pro rata share to distribute to Authorized Interchange Claimants. It is contemplated that the amount of each Authorized Interchange

Claimant's claim shall be equivalent to approximately 10 basis points of Interchange Fees Paid on Visa- and MasterCard-Branded Card sales volume during the Interchange Reduction Period. Distribution will be made to Authorized Interchange Claimants on a pro rata basis, after the Court has finally approved the settlement and after substantially all claims have been processed.

3. Distribution of Remaining Balance of Interchange Fund

If there is any balance remaining in the Interchange Fund after eight months following the date of the initial distribution of the Interchange Fund to Authorized Interchange Claimants (by reason of tax refunds, un-cashed checks or otherwise), then funds will be redistributed to Authorized Interchange Claimants who have cashed their initial distributions and who would receive a payment no less than a minimum payment threshold amount, after payment of any unpaid costs or fees incurred in administering the Interchange Fund for such redistribution. The minimum payment threshold amount shall be determined by Class Counsel after consultation with the Class Administrator regarding factors bearing on the economic feasibility of redistribution (such as the costs of mailing checks, the total amount of funds to be distributed, and the number of Authorized Cash Claimants that cashed their initial distributions), but shall be no less than \$25.00 and no more than \$100.00. Six months after such redistribution any remaining balance shall be distributed as the Court may direct according to the cy pres provisions in ¶30 of the Class Settlement Agreement.

III. THE CLAIMS PROCESS

A. Timing of Claim Form Submission

In order to be considered valid, all Claim Forms must be submitted to the Class Administrator, addressed in accordance with the instructions on the Claim Form, by or before the deadline specified in the Claim Form unless such deadline is extended by order of the Court. If sent by mail, a Claim Form shall be deemed submitted when posted, provided that the envelope: (a) shows that first-class postage was affixed or prepaid; and (b) bears a postmark or postage meter with

a date no later than the deadline. If sent by private or commercial carrier (*e.g.*, Federal Express, UPS, etc.), a Claim Form shall be deemed submitted on the shipping date reflected on the shipping label. If sent electronically, a Claim Form shall be deemed submitted when received via the Case Website. If sent by email or fax, a Claim Form shall be deemed submitted when received by the Class Administrator.

B. Claim Review and Analysis

All Claim Forms shall be subject to anti-fraud procedures and random and/or selective audits. The Class Administrator shall be responsible for developing an appropriate plan to audit Claim Forms (an “Audit Plan”). The Class Administrator shall provide its Audit Plan to Class Counsel before beginning any audits.

C. Challenges to the Class Administrator’s Calculations

All members of the Rule 23(b)(3) Settlement Class that file claims will be entitled to challenge decisions by the Class Administrator regarding the amount or denial of any claim. Authorized Cash Claimants may challenge the Class Administrator’s estimate of Interchange Fees Paid, and may appeal the Class Administrator’s determination of such challenge, as provided above in §II.A.1 Authorized Interchange Claimants may challenge the Class Administrator’s estimate of sales on Visa-Branded Card transactions during the Interchange Reduction Period, and may appeal the Class Administrator’s determination of such challenge, as provided above in §II.A.1. Claimants whose claims are denied, or who disagree with the final calculation of their claims, may challenge such denials or final calculations in writing, together with supporting documentation, mailed or emailed to the Class Administrator within 30 days after the date of the notice of the denial or final calculation of the claim. Upon review of the Claimant’s challenge and supporting documentation, the Class Administrator will make a determination whether the claim should be denied, approved or

adjusted, and will notify the Claimant of its determination, together with information about how the Claimant can appeal such determination to Class Counsel, and subsequently the Court.

IV. NOTICE AND CLAIMS ADMINISTRATION WEBSITE

The Case Website at www.paymentcardsettlement.com has been established to, *inter alia*: (i) permit persons to read and/or download the Notice of Settlement of Class Action, Claim Forms, the operative complaints, the Class Settlement Agreement, certain court orders or decisions, and plaintiffs' counsel's names, address(es), and contact information, and other pertinent documents or information agreed to by the parties or ordered by the Court; (ii) facilitate a preregistration process for class members that intend to file claims, as discussed in §II.A.1, *supra*; (iii) facilitate the dissemination of Claim Forms to class members; (iv) facilitate the submission of Claim Forms by enabling class members to print paper Claim Forms and by allowing the electronic submission of Claim Forms; and (v) facilitate the answering of FAQs regarding claims and/or to provide any updates agreed upon by the parties. The Case Website is available in English and Spanish and other languages, and offers English, Spanish and other language versions of the Notice of Settlement of Class Action.

V. TELEPHONE SUPPORT

The Class Administrator has established an automated IVR telephone system that class members can reach through a toll-free number to, *inter alia*, obtain information and request documents related to the claims process. The IVR system permits callers to hear options in English and Spanish. To assist class members, trained agents are available to respond to questions by telephone during normal business hours and by email in English, Spanish and other languages.

VI. MODIFICATION

Class Counsel may apply to the Court to modify this Plan on notice to members of the Rule 23(b)(3) Settlement Class and the Defendants.