

APPENDIX I — Plan of Administration and Distribution

I. INTRODUCTION

This Plan of Administration and Distribution (“Plan”) shall govern 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 Section 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 Section 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 Payments;² and (iii) any other payments authorized by the Court, including for Attorneys’ Fee Awards, Expense Awards, Class Plaintiffs’ Awards, and Settlement Administration Costs.

1. Distribution of Cash Fund to Authorized Cash Claimants

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

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, ¶¶18-20.

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 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 the Settlement Preliminary Approval Date (“Settlement Class Period”) with no “netting” or reductions based on rebates, marketing support or promotional payments, or otherwise (“Interchange Fees Paid”). The amounts of Interchange Fees Paid by each Authorized Cash Claimant will be determined or estimated – to the extent possible and for as many Claimants as possible – from data obtained by Class Counsel from Visa, MasterCard, the Bank Defendants, non-defendant acquiring banks and independent service organizations (“ISO’s”) subpoenaed by Class Counsel, and from Authorized Cash Claimants themselves. 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.

To the extent that data available from Defendants and third parties explicitly specify the amount of Interchange Fees Paid by particular Authorized Cash Claimants, those data will be utilized directly in the valuation of those claims to the extent specified above. To the extent that those data do not explicitly specify the amount of Interchange Fees Paid by Authorized Cash Claimants but contain other data and information from which reasonable estimations of Interchange Fees Paid may be made (*e.g.*, data on total sales, credit and debit card transaction volume, merchant discount fees paid, merchant category code, etc.), Class Counsel will instruct the Class Administrator to utilize those other data and information sources to make reasonable estimates of Interchange Fees Paid. Thus, in cases where direct information on Interchange Fees Paid is lacking, Class Counsel will instruct the Class Administrator to make reasonable estimates of Interchange Fees Paid based on payment card transaction volume or total sales transaction volume. Where actual Interchange Fees Paid data are not available, estimates of Interchange Fees Paid will be made by applying the actual default interchange rates applicable, if known, to payment card transaction volume for the applicable time period, if available. If the actual default interchange rates are not known, default interchange rates applicable to the respective class

member's merchant category will be used. If data on actual payment card transaction volumes are not available, they will be estimated based on the available objective evidence of payment card volume applied to a class member's overall sales transaction volume. Based upon a present understanding of the data available from Defendants and third parties, and as informed by the plan of allocation utilized in *In re Visa Check/MasterMoney Antitrust Litigation*, No. 96-cv-05238 (E.D.N.Y.) (JG) (JO), Class Counsel believe that the Class Administrator will be able to make reasonably accurate estimates of Interchange Fees Paid by the majority of Authorized Cash Claimants based on Defendant and third party data. 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. In all instances where the Class Administrator estimates the Interchange Fees Paid, it will provide a general description of the data on which it based its estimate and the methodology it employed in developing from that data its estimate of Interchange Fees Paid.

The principal database on which the Class Administrator will rely to determine and estimate Interchange Fees Paid is a Visa database known as the SQL-AIM Database (also referred to as the Visa Transactional Database). This database generally identifies, among other things, the amount of Interchange Fees Paid on Visa-Branded Card transactions during the Settlement Class Period. Visa has produced the SQL-AIM Database for the period from January 2004 through the end of 2011, and will be supplementing that production with data for the period from January 1, 2012 through the end of the Settlement Class Period. The SQL-AIM Database includes all U.S. Visa-Branded Card transactions processed through the Visa system. For some merchants, the SQL-AIM Database also provides merchant identifying information. For most

claimants the Class Administrator will also rely on other data, when reasonably available, produced by Visa, certain Bank Defendants, non-defendant acquiring banks, ISO's and claimants, to supply or supplement merchant identifying information, and will combine that identifying information with the Interchange Fees Paid information in the SQL-AIM Database. For example, Visa is producing 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. The MasterCard Transactional Database contains Interchange Fees Paid data for some number of merchants, which also can be used for determining and estimating Interchange Fees Paid. However, Interchange Fees Paid on MasterCard-Branded Card transactions for other merchants may need to be estimated using the Visa SQL-AIM Database and reasonable assumptions concerning the volume of MasterCard-Branded Card transaction volume based on Visa-Branded Card transaction volume and other pertinent information.

The Class Administrator will make what it judges to be the best reasonably accurate estimate of Interchange Fees Paid based on Defendant and third party data, and will inform each Claimant of its actual or estimated Interchange Fees Paid as well as the Claimant's actual or estimated dollar sales transaction volumes. The actual claim value amount for any individual Claimant will be impacted by the amount of commerce represented by the entire class of Authorized Cash Claimants. All such estimates may be provided in a subsequent mailing or email to the Claimant and/or may be made accessible over a secure website operated by the Class Administrator.

Claimants that wish to contest the accuracy of estimates of Interchange Fees Paid determined by the Class Administrator may do so by checking a box on the notice of the Class

Administrator's estimate of Interchange Fees Paid indicating that the Claimant disagrees with the estimate. Any Claimant that 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. Any such challenge must be in writing and must be mailed or emailed to the Class Administrator within 30 days after receipt of the notice of the Class Administrator's estimate of Interchange Fees Paid. 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.

Class Counsel and the Class Administrator have begun examining and analyzing the databases. However, it is anticipated that it will take substantial time to assemble the information required to present and estimate Interchange Fees Paid and transaction volumes applicable to individual class members. In the interim, to assist with the administration, allocation and payment process, class members that intend to file claims, particularly those with multiple business locations that might want to aggregate their claims, are strongly encouraged to submit, via a secure website, certain pre-registration information, which may consist of the following:

- Contact information;
- Business information;
- Location of each operation;
- Information on each acquiring account, including how the class member provides information to its acquirers (*e.g.*, by location, region or company);
- Franchise relationship, if any; and

- Best method for the Class Administrator to provide a Claim Form (by email or postal mail, or both).

It will be the responsibility of each class member 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.

As to those Authorized Cash Claimants for whom a reasonable estimate of Interchange Fees Paid cannot be determined based on Defendant and third party data, then Interchange Fees Paid will be estimated based on information supplied by each such Claimant. 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 the end of the Settlement Class Period, to the extent known:

- Interchange Fees Paid;
- Merchant discount rate(s) (including the date of each change of rate);
- Sales volume on which interchange fees were applied (to the extent known, broken out by credit card, debit card and network);
- Merchant category code(s) used to process merchant's sales transactions;
- Merchant identification number(s); and
- Relevant identification number (*e.g.*, Taxpayer Identification Number).

All claims based upon Claimant-supplied information will be subject to audit. In addition, the Class Administrator may require Claimants to provide supporting documentation and/or additional information as appropriate in connection with: (i) the initial submission of a claim based on information provided by the Claimant; (ii) a challenge to a claim estimate based upon Defendant and third party information; (iii) a request to aggregate claims; or (iv) an audit.

If it is ultimately determined by the Class Administrator that the foregoing process is not administratively practicable, then, following consultation among the parties and approval by the

Court, amendments to the process will be made which may include basing claim values on estimates of Visa and MasterCard dollar sales transaction volume. Any such amendments will be posted on the Case Website, www.PaymentCardSettlement.com, no later than forty-five days before the end of the Class Exclusion Period and Class Objection Period.

2. Claim Form

If, and as soon as practicable after, the Court grants final approval of the proposed settlement and claim values are estimated, the Class Administrator will disseminate a claim form (“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 estimated Interchange Fees Paid and transaction volumes on Visa- and MasterCard-Branded Card transactions during the Settlement Class Period.

If the Claimant agrees with the Class Administrator’s estimate of Interchange Fees Paid, the Claimant can so indicate, sign the Claim Form, indicate whether it continued to accept Visa and MasterCard credit cards until that date or the date upon which it stopped accepting Visa and MasterCard credit cards, and return the Claim Form to the Class Administrator prior to the deadline stated on the Claim Form – electronically or by mail – for processing.

If the Claimant does not agree with the Class Administrator’s estimation of the Interchange Fees Paid, the Claimant can attach (or upload where possible) documentation to show the dollar amount of Visa- and MasterCard-Branded Card Interchange Fees Paid during the Settlement Class Period (including, *e.g.*, records of default interchange rates applicable, interchange fees charged or assessed, merchant discount fees paid, volume of Visa- and MasterCard-Branded Card transactions, Merchant Category Codes, etc.). The class member will then indicate its request to have its claim value determined based on the provided information (subject to audit), indicate whether it continued to accept Visa and MasterCard credit cards until

that date or the date upon which it stopped accepting Visa and MasterCard credit cards, and sign the Claim Form and return it and the documentation 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- and MasterCard-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 Claimants (by reason of tax refunds, un-cashed 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 re-distribution, 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 re-distribution (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 Paragraph 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 Credit 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- and MasterCard-Branded Credit Card transactions during the Interchange Reduction Period. To the extent that available data explicitly specify a particular claimant’s sales volume on

Visa- and MasterCard-Branded Credit Card transactions during the Interchange Reduction Period, these data will be utilized directly in the valuation of that claim.

Claimants' whose dollar sales transaction volume is not available from the Defendants and/or third parties will be asked to submit payment card transaction volume for the eight-month period to the Administrator or, if payment card transaction volume information is not available to the Class member, 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 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- and MasterCard-Branded Credit Card transactions from the data may do so by checking a box on the notice of the Class Administrator's estimate of sales volume on Visa- and MasterCard-Branded Credit Card transactions 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 receipt of the notice of the Class Administrator's estimate of sales volume on Visa- and MasterCard-Branded Credit 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 the data do not explicitly specify sales volume information, Class Counsel may seek this information from Authorized Interchange 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 credit 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 re-distributed 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 re-distribution (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 Paragraph 30 of the Class Settlement Agreement.

III. CLASS ADMINISTRATOR

Subject to Court approval, Class Counsel have selected Epiq Class Action and Claims Solutions, Inc. (“Epiq”) as the Class Administrator. The selection of Epiq as the Class Administrator is subject to Epiq’s compliance with all provisions of the Class Settlement Agreement and Appendices thereto, including the Notice Plan and the Plan of Administration and Distribution.

If the Court denies the approval of Epiq, or if Class Counsel determines that Epiq cannot satisfy the conditions set forth above, then Class Counsel will select a different entity to serve as the Class Administrator, subject to Court approval.

IV. 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 uploaded to the Case Website. If sent by 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 Claims 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 Section II.A.1. Authorized Interchange Claimants may challenge the Class Administrator’s estimate of sales on Visa- and MasterCard-Branded credit card transactions during the Interchange Reduction Period, and may appeal the Class Administrator’s determination of such challenge, as provided above in Section II.B.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 receipt 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.

V. NOTICE AND CLAIMS ADMINISTRATION WEBSITE

A notice and claims administration website shall be set up at www.PaymentCardSettlement.com 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 pre-registration process for class members that intend to file claims, as discussed in Section II.A.1, *supra*; (iii) facilitate the dissemination of Claim Forms to members of the class; (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 shall be available in English and Spanish and potentially other languages, and offer English, Spanish and other language versions of the Notice of Settlement of Class Action and the Claim Form.

VI. TELEPHONE SUPPORT

The Class Administrator will set up 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 shall permit callers to hear options in English, Spanish and potentially other languages, and shall offer callers who choose a non-English option certain case-related documents in that requested language. In addition, a preliminary IVR telephone system shall be set up with recorded information stating that the parties have entered into a settlement agreement, that the parties are seeking Court approval of the settlement, and that further details will available in the future.

To assist class members, the Class Administrator will provide trained staff to respond to questions by telephone during normal business hours and by email.

VII. 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.