

APPENDIX I – Plan of Administration and Distribution

I. Introduction

This Plan of Administration and Distribution (“Plan”) shall govern the administration and distribution of the Net Cash Settlement Fund (the “Cash 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 below.¹

II. Funds to Be Distributed to Class Members

A. Cash Fund

The Cash Fund shall consist of the funds in the Class Settlement Escrow Account, plus an additional \$900,000,000 to be paid by Defendants to the Class Settlement Cash Escrow Account, plus the funds in the Class Settlement Interchange Escrow Account that are to be transferred to the Class Settlement Cash Escrow Account, and any interest earned, less, as approved by the Court: (i) the Taxes and administrative costs related to the Class Settlement Cash Escrow Account and the Class Settlement Interchange Escrow Account; (ii) the Class Exclusion Takedown Payments²; and (iii) any other payments approved by the Court, including for Attorneys’ Fee Awards, Expense Awards, Rule 23(b)(3) Class Plaintiffs’ Service Awards, and Settlement Administration Costs.

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

² Class Exclusions Takedown Payments shall be made to the Visa Defendants, and to the Mastercard Defendants and Bank Defendants, to account for certain Opt Outs, in a total amount not to exceed \$700,000,000, as calculated in the manner set forth in Paragraphs 21-23 of the Superseding and Amended Class Settlement Agreement.

B. Distribution of Cash Fund to Claimants

Rule 23(b)(3) 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 (“Claimants”) through a process that: (a) is fair and equitable; (b) distributes the Cash Fund in accordance with the relative economic interests of the Claimants as measured by the Interchange Fee amounts attributable to their Visa- and Mastercard-Branded Card transactions during the Class Period (“Interchange Fees Paid”); and (c) ensures that the administration is as simple and cost-effective and imposes as minimal a burden on Claimants as possible. The Plan will rely, to the extent possible, on data available to Rule 23(b)(3) Class Counsel and the Class Administrator to achieve these goals.

Rule 23(b)(3) Class Plaintiffs claim that the Defendants’ challenged conduct damaged class members by increasing the amount of Interchange Fees Paid attributable to class members on their Visa- and Mastercard-Branded Credit and Debit Card transactions during the Class Period. Thus, the Plan proposes to determine the amount of Interchange Fees Paid attributable to each Claimant during the Class Period based upon the best available information or a reasonable estimate and allocate the settlement fund based on Interchange Fees Paid, with no reductions based on rebates, marketing support or promotional payments, or other consideration received.

C. Pro Rata Distribution

Once the Class Administrator estimates Interchange Fees Paid attributable to each Claimant on Visa- and Mastercard-Branded Card transactions during the Class Period in the manner described below, it will be able to calculate the total of such Interchange Fees Paid attributable to all Claimants. Each Claimant will receive its pro rata share of the Cash Fund based on the Claimant’s Interchange Fees Paid as compared to the total amount of Interchange Fees Paid attributable to all Claimants. Distribution will be made to Claimants, after the

Settlement Final Date (i.e., after all appeals are concluded) and after substantially all claims have been processed and approved by the Court.

D. Claim Determination

Based on prior review of the available sources of data, as explained below, data produced by Visa will be the initial source used for estimating or determining Interchange Fees Paid to each Claimant. Data obtained by Rule 23(b)(3) Class Counsel from Mastercard, the Bank Defendants, non-defendant acquiring banks and independent service organizations (“ISO’s”) subpoenaed by Rule 23(b)(3) Class Counsel, and from Claimants themselves may also be used for estimating or determining Interchange Fees Paid for Claimants.

E. Data Used to Value Claims

Pursuant to the prior Definitive Class Settlement Agreement, in 2012 Class Counsel received data to effectuate a notice plan and begin a settlement class claims process. Based on a review that data, as well as analysis conducted by experts, the Class Administrator, and Rule 23(b)(3) Class Counsel, it is believed that the transactional data obtained from Visa contains the vast majority of Interchange Fees Paid attributable to Visa-Branded Card transactions by members of the Rule 23(b)(3) Settlement Class during the Class Period. The initial 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 Class Period. Visa has produced the SQL-AIM Database for the period commencing in January 2004, and will be supplementing that production with data through the end of the 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, Mastercard, 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 also has produced a second database, known as the Visa Merchant Profile Database, or VMPD, that provides some merchant identifying information in the Class Period for a large portion of the Rule 23(b)(3) Settlement Class.

The Class Administrator may also use the transactional database maintained by Mastercard and additional available data to determine a Claimant's Interchange Fees Paid. The Class Administrator may well determine that due to limitations in available data, many Claimants' Interchange Fees Paid on Mastercard-Branded Card transactions will need to be estimated using data from Visa databases and reasonable assumptions concerning Mastercard-Branded Card transaction volume relative to Visa-Branded Card transaction volume and other pertinent information. Claimants also may submit information regarding Interchange Fees Paid on their Mastercard-Branded Card transactions or Visa-Branded Card transactions or regarding their Mastercard-Branded Card transaction volume relative to their Visa-Branded Card transaction volume.

In order to link 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.

Where the Claimant is located in the data obtained by Rule 23(b)(3) Class Counsel, the face value of its claim will be equal to the amount of actual Interchange Fees Paid on Visa-Branded Card transactions and Mastercard-Branded Card transactions, as reflected in that data, or if needed, the amount of Interchange Fees Paid on either Visa-Branded Card transactions or

Mastercard-Branded Card transactions plus the relative estimated Interchange Fees Paid on the other. Once ascertained, the Class Administrator will provide the actual or estimated amount of Interchange Fees Paid attributable to each Claimant to the Claimant, who will be able to elect to accept or contest the accuracy of the Interchange Fees Paid information.

If a Claimant's data is not located in the Visa databases and cannot otherwise 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-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, Visa-Branded Card Interchange Fees Paid 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, Visa-Branded Card Interchange Fees Paid 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 Administrator³;

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, Visa-Branded Card Interchange Fees Paid will be determined first by estimating Visa-Branded Card

³ Average annual default Visa interchange rates applicable to merchant categories will be computed from the Visa Transactional Database.

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.⁴ 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 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 necessary, the same procedures can be used to estimate a Claimant's Mastercard-Branded Card Interchange Fees Paid when the Claimant can provide the information described in 1-4 above.

⁴ 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).

If a Claimant believes that the total Interchange Fees Paid as reflected in 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 Claimant 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 or Mastercard 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 or Mastercard for payment during the Class Period. The Class Administrator will inform each Claimant of its actual or estimated Visa and Mastercard Interchange Fees Paid as well as the Claimant's actual or estimated Visa- and Mastercard-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 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, 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 or Mastercard during the 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 Database or other 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 Interchange Fees Paid, based on the data available to the Class Administrator, 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 or Mastercard during the Class Period to the extent known. The Class Administrator will then query the Visa Transactional Database or other 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 Database or other 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 the Settlement Preliminary Approval Date, 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 thirty days after the date of the notice of the Class Administrator's revised estimate of Interchange Fees Paid.

To the extent needed, Rule 23(b)(3) 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 Rule 23(b)(3) 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 Claimants to upload their location and payment processor data via an Excel workbook. If their information changes, the Claimant may securely return to the preregistration system at any time and update their submission.⁵

F. 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. 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 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

⁵ Any entity who previously preregistered with the Claims Administrator is encouraged to review the materials previously submitted and, if necessary, update those materials with the Class Administrator.

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 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 Claimant 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.

G. 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 Claimants (by reason of tax refunds, un-cashed checks or otherwise), then funds will be re-distributed to 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, including any applicable taxes and any other related tax expenses. The minimum payment threshold amount shall be determined by Rule 23(b)(3) 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 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 in accordance with Paragraph 28 of the Superseding and Amended Class Settlement Agreement.

III. Class Administrator

Subject to Court approval, Rule 23(b)(3) Class Counsel have determined it is in the best interests of the class to continue using Epiq Class Action and Claims Solutions, Inc. (“Epiq”) as the Class Administrator. Epiq’s continuation as the Class Administrator is subject to Epiq’s ongoing compliance with all provisions of the Superseding and Amended Class Settlement Agreement and Appendices thereto, including this Notice Plan and the Plan of Administration and Distribution.

If the Court denies the approval of Epiq, or if Rule 23(b)(3) Class Counsel determines that Epiq cannot satisfy the conditions set forth above, then Rule 23(b)(3) 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 Submissions

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 Rule 23(b)(3) 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. 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. 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 thirty 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 Rule 23(b)(3) Class Counsel, and subsequently the Court.

V. Notice and Claims Administration Website

The website www.PaymentCardSettlement.com, which has been operational since approximately December 7, 2012, will be updated to reflect information concerning the Settlement and 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 Rule 23(b)(3) Class 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.F., 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 is currently available in multiple languages. The website shall 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 has set up an automated IVR telephone system that Claimants can reach through a toll-free number to, inter alia, obtain information and request documents related to the claims process. This system has been operational since approximately December 18, 2012. The IVR system shall be updated to 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, the IVR telephone system will include updated 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 continue to provide trained staff to respond to questions by telephone during normal business hours and by email.

VII. Modification

Rule 23(b)(3) 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.