

Merchant/Class Member Rights Under the Settlement

In June of 2003, the Merchant Class settled its antitrust case against defendants Visa U.S.A. Inc. and MasterCard International Incorporated. Under the settlement, the defendants are required to untie their signature debit and credit card products and to pay the Class more than \$3 billion. The United States District Court judge overseeing the case determined that the settlement would provide “significant and lasting benefits to America’s merchants and consumers,” including you. Final Settlement Approval occurred on June 1, 2005.

Cash Payments to Class Members

Most Class Members Merchants who submitted timely, valid claim forms have been reimbursed for overcharges associated with their acceptance of Visa and MasterCard credit and signature debit transactions from October 1992 to July 2003. Lead Counsel anticipates that the remaining valid claims for credit and signature debit damages will be paid in 2007. Eligible Class Members will also receive payment for damages associated with their acceptance of PIN debit. Finally, all Class Members will receive an additional residual payment or payments after PIN debit damages have been distributed.

Merchant Rights Under the Settlement

1. Right to accept credit only

Any merchant who wants to accept Visa and/or MasterCard credit cards is not required to accept Visa and/or MasterCard-branded debit cards (sometimes called the “Visa Check Card,” “Debit MasterCard,” or “MasterMoney”). New contracts with merchants for the acceptance of Visa and/or MasterCard payment products must clearly provide for the merchant to choose to accept credit, debit, or both. Merchants who wish to stop accepting signature debit cards while continuing to accept Visa and/or MasterCard credit cards can do so by giving their card processor at least 30 days advance written notice.

2. Right to accept signature debit only

Any merchant who wants to accept Visa and/or MasterCard-branded debit cards is not required to accept Visa and/or MasterCard credit cards. New contracts with merchants for the acceptance of Visa and/or MasterCard payment products must clearly provide for the merchant to choose to accept debit, credit, or both. Merchants who wish to stop accepting credit cards while continuing to accept signature debit cards can do so by giving their card processor at least 30 days advance written notice. Merchants are not required to install PIN pads as a condition of accepting signature debit cards.

3. Right to request another form of payment

Merchants are now free to request another form of payment when a Visa or MasterCard-branded debit card is offered for payment. Merchants may also offer a discount to consumers who pay by other forms of payment.

4. Right to be able to distinguish debit from credit

a. Visual identification

By January 1, 2007, Visa and MasterCard member banks will have re-issued all of their hundreds of millions of ATM/debit cards with the word “Debit” on the face of these cards so that merchants and consumers will be able to easily distinguish Visa and MasterCard debit cards from Visa and MasterCard credit cards.

b. Electronic identification

By January 1, 2007, Visa and MasterCard member banks will have re-issued all of their ATM/debit cards with electronic identifiers (the Bank Identification Numbers, or “BINs”) that are distinct and different from the BINs assigned to Visa and MasterCard credit cards, so that merchants with certain terminals can electronically distinguish debit cards from credit cards. If you would like to receive a complete list of the BINs assigned to Visa and/or MasterCard signature debit cards, please contact your processor/acquirer.

Assistance From Lead Counsel

If you find that cards are being presented for payment that may be Visa and MasterCard signature debit cards lacking proper visual and/or electronic identification, please contact Lead Counsel at Counsel@InReVisacheckMastermoneyAntitrustLitigation.com or 212-350-2799. Please also feel free to contact us if you encounter any problems obtaining BINs from you processor.