

CLASS ACTION SUMMARY
**MERCHANT FEES (DISCOVER)
CLASS ACTION SETTLEMENT**

DID YOUR BUSINESS PROCESS OR ACCEPT A MISCLASSIFIED DISCOVER CARD TRANSACTION?

YOU MAY BE ELIGIBLE TO RECOVER MONEY!

SUMMARY

Total Settlements Reached:
\$1.225 Billion

Purchase Date Range(s):
**January 1, 2007 -
December 31, 2023**

Filing deadline(s):
Not established

*Specific information about the class
action(s) listed below*

Eligible Class Members: *If certified, eligible Class Members include all “End Merchants”, “Merchant Acquirers” and “Payment Intermediaries” involved in processing or accepting a “Misclassified Card Transaction” (credit cards transactions that were classified by Discover as a commercial credit card but should have been classified as a consumer credit card) from January 1, 2007 through December 31, 2023 (the “Class Period”).*

“Defendants”: *Discover Financial Services, DFS Services LLC and Discover Bank (collectively, “Discover”).*

**THIS IS NOT AN OFFICIAL COURT NOTICE.
INFORMATION CONTAINED IN THIS SUMMARY IS SUBJECT TO CHANGE.**

The Services FRS Provides: Financial Recovery Strategies (FRS) is a class action claims management consultant; we are not a court appointed claims administrator or class counsel. If you hire FRS, FRS will work within your guidelines to manage the claims process. The services that FRS provides include the following: (i) notifying you when we believe that you may be eligible to participate in settlements likely to be valuable to you; (ii) endeavoring to enhance the likelihood that all of your eligible business units (e.g., subsidiaries, divisions, acquisitions and divestitures) are included in the claims process; (iii) to reduce the support needed from your in-house staff, providing advice on what, if any, documents need to be collected and maintained, and, when requested, assisting in that effort; (iv) when required documents are not available or are too burdensome to collect, attempting to develop innovative alternatives to satisfy documentation requirements and striving to obtain approval of those alternatives; (v) preparing, assembling and submitting your claim package, and managing it throughout the claims processing phase, including working with you to address any concerns or questions claims administrators may have; (vi) providing regular updates on the recovery process; (vii) reviewing your payment to assure that it has not been under calculated; and (viii) following up with you to assure that your recovery check is deposited. FRS's recovery specialists are always available to answer any questions you may have.

How to Retain FRS: If you wish to hire FRS to file and manage a claim on your behalf, you must return a signed Claims Management Agreement and a signed Authority to File and Manage Claims. Before doing so, it is important that you understand their terms and make sure that all information about you is correct.

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Case History

In 2023, class action lawsuits were filed alleging that, as a result of violations of the federal RICO statute, as well as several state consumer protection and common laws, merchants were charged excessive interchange fees beginning in 2007. The classes have reached with Discover a settlement for a total amount of \$1,225,311,279. The settlement is pending preliminary approval. If preliminary approval is granted, distribution of the settlement funds will occur after the class is certified, final approval is granted and the claims process is completed.

Definition of “Merchant Acquirers”: Merchant Acquirers are business entities that during the Class Period had an agreement with Discover to facilitate Discover credit card transactions for other businesses and was characterized by Discover’s rules and regulations as an Acquirer.

Definition of “End Merchants”: End Merchants include individuals or business entities that during the Class Period accepted a Discover-issued credit card directly from a person as payment in return for the delivery of goods or services. For the purposes of this settlement, the following are different types of End Merchants:

- o Indirect End Merchants accept or process Discover credit card transactions through Merchant Acquirers and/or Payment Intermediaries;
- o Inactive Direct End Merchants are non-active Direct End Merchants (Active Direct End Merchants are End Merchants that have a current written contractual relationship with Discover to accept Discover credit cards without the aid of entities other than Discover such as Merchant Acquirers or Payment Intermediaries, and that have recently processed a Discover Card transaction);
- o Managed Active Direct End Merchants are Active Direct End Merchants that also interact with Discover through a dedicated client relationship manager on a regular basis; and
- o Unmanaged Active Direct End Merchants are Active Direct End Merchants that do not interact with Discover through a dedicated client relationship manager on a regular basis.

Definition of “Payment Intermediaries”: Payment Intermediaries include business entities that during the Class Period processed Discover credit card transactions on behalf of another business, but that is neither an End Merchant nor a Merchant Acquirer.

Class Counsel or the Class Administrator may be contacted for additional settlement information. You also may visit the Court-approved website.

Please understand that you have the right to file on your own.

To learn more about our services, visit www.FRSCO.com.

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