

**LEGAL NOTICE BY ORDER OF THE UNITED STATES DISTRICT COURT FOR
THE NORTHERN DISTRICT OF ILLINOIS**

If you accepted or processed Discover credit cards between 2007-2023, you could be eligible to get a cash payment from a class action settlement.

A federal court authorized this Notice. This is not a solicitation from a lawyer.

- A proposed class action settlement has been reached in three related lawsuits. The proposed Settlement, if approved, would resolve the cases, and provide benefits to Settlement Class Members, including those who submit claims and do not exclude themselves.
- The lawsuits—*CAPP, Inc. v. Discover Financial Services*, Case No. 1:23-cv-04676; *Lemmo's Pizzeria, LLC v. Discover Financial Services*, Case No. 1:23-cv-14250; and *Support Animal Holdings, LLC v. Discover Financial Services*, Case No. 1:23-cv-15297—are pending in the U.S. District Court for the Northern District of Illinois. The lawsuits allege that, beginning in 2007, defendants Discover Financial Services, DFS Services LLC, and Discover Bank (together, "Discover") misclassified certain Discover-issued consumer credit cards as commercial credit cards, which in turn caused merchants and others to incur excessive interchange fees. Discover denies the claims in the lawsuits, and the Court has not decided who is right or wrong. The parties have agreed to the Settlement to avoid the expense, uncertainty, and risks associated with litigation.
- If you received a notice about this Settlement by email or mail, you have been identified as a potential member of the Settlement Class and you may be eligible to receive a settlement payment.
- Your legal rights are affected, and you have a choice to make. Your options are explained here.

YOUR LEGAL RIGHTS AND OPTIONS	
REQUEST A SETTLEMENT PAYMENT.	<p>With limited exceptions, all Settlement Class Members must submit a claim by May 18, 2026 in order to be eligible to receive a settlement payment.</p> <p>Most Settlement Class Members are Indirect End Merchants and will need to submit a claim to receive a settlement payment. See Question 8 for details.</p> <p>If your business is defined as a Managed Active Direct End Merchant, you are automatically eligible to receive a settlement payment, but you must submit additional information to receive a payment. See Question 9 for details.</p> <p>If your business is defined as an Unmanaged Active Direct End Merchant, you are automatically eligible to receive a settlement payment without taking further action. See Question 10 for details.</p> <p>If your business is defined as a Merchant Acquirer or Payment Intermediary, you must submit <i>both</i> a claim <i>and</i> additional information described herein to receive a payment. See Questions 12 and 13 for details.</p> <p>If you are unsure whether you need to submit a claim and want to receive a settlement payment, it is a good idea to submit a claim.</p> <p>Your business may be more than one type of Settlement Class Member. You may receive more than one notice and may need to take further action to receive payment or full payment.</p>
DO NOTHING.	<p>If you do nothing, with limited exceptions, you will not receive a settlement payment, and you will be bound by the Court's orders and judgments and give up any right to sue Discover for the claims in these lawsuits or related to the Misclassified Card Transactions.</p>

EXCLUDE YOURSELF (OPT OUT).	Receive no payment from the Settlement but retain any right you may have to sue Discover about the claims in these lawsuits or related to the Misclassified Card Transactions. To opt out, you must mail a request for exclusion, postmarked by March 25, 2026 . See Question 21 for details.
OBJECT TO THE SETTLEMENT.	Object or comment on the Settlement by March 25, 2026 . See Question 22 for details. If you object or comment, you can still receive a payment, provided you file a claim and/or provide the additional information required.
GET ASSISTANCE FILING YOUR CLAIM AT NO COST TO YOU.	<p>The Court has appointed Epiq Class Action & Claims Solutions, Inc. ("Epiq") to serve as the Claims Administrator. Epiq will provide you free assistance with the filing of your claim and answer any questions you may have about the Settlement.</p> <p>You may have received a communication about this Settlement from a company other than Epiq. You are under no obligation to pay a company to file a claim on your behalf. You may file your own claim, including with assistance from Epiq, at no cost to you.</p>

This Notice summarizes the Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement, which is available at www.DiscoverMerchantSettlement.com.

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BASIC INFORMATION

1. What is this Notice about?

Plaintiffs CAPP, Inc.; Young Peoples Day Camps Inc.; Prayus Group LLC; Lemmo's Pizzeria, LLC; and Lenny's Casita, LLC (together, "Plaintiffs"), on behalf of the Settlement Class Members, have reached a Settlement with Defendants Discover Financial Services, DFS Services LLC, and Discover Bank (together, "Discover") in three related class action lawsuits. The Court authorized this Notice because you have a right to know about the Settlement and about your options before the Court decides whether to give final approval to the Settlement. This Notice explains the lawsuits, the proposed Settlement, your legal rights, and the hearing ("Final Approval Hearing") to be held by the Court to consider whether to finally approve the Settlement.

The Honorable Judge Steven C. Seeger of the United States District Court for the Northern District of Illinois is overseeing these lawsuits. The lawsuits are called *CAPP, Inc. v. Discover Financial Services*, Case No. 1:23-cv-04676; *Lemmo's Pizzeria, LLC v. Discover Financial Services*, Case No. 1:23-cv-14250; and *Support Animal Holdings, LLC v. Discover Financial Services*, Case No. 1:23-cv-15297. The five individual Plaintiffs who have been appointed by the Court as "Settlement Class Representatives" are business entities that processed or accepted a misclassified Discover-issued credit card between 2007 and 2023.

2. What is a class action settlement and who is involved?

A class action is a type of lawsuit in which one or more people (or entities) sue on behalf of themselves and other people (or entities) with similar claims. When a class action is settled, all of these people (or entities) together make up the class and are class members. One court will determine if the Settlement is fair for all class members, except for those who exclude themselves from the class.

3. Am I part of the Settlement Class?

The Settlement Class for this Settlement is defined as: All End Merchants, Merchant Acquirers, and Payment Intermediaries involved in processing or accepting a Misclassified Card Transaction during the period from January 1, 2007 through December 31, 2023. Excluded from the Settlement Class are certain people and entities listed on Exhibit A to the Settlement Agreement. A copy of the Settlement Agreement (including Exhibit A) may be found at www.DiscoverMerchantSettlement.com. People (or entities) in the Settlement Class are called "Settlement Class Members."

Broadly speaking, the Settlement Class includes three types of Settlement Class Members: End Merchants, Merchant Acquirers, and Payment Intermediaries. These and other important terms are summarized below. Please refer to the Settlement Agreement, available at www.DiscoverMerchantSettlement.com, for the complete definition of these and other defined terms.

- An "**End Merchant**" is an individual or business entity that during 2007-2023 accepted a Discover-issued credit card directly from a person as payment in return for the delivery of goods or services. For purposes of this Settlement, there are four different types of End Merchant: Indirect End Merchant, Inactive Direct End Merchant, Managed Active Direct End Merchant, and Unmanaged Active Direct End Merchant. The requirements to receive a settlement payment differ for each (see Questions 7-14 for more information).
- A "**Merchant Acquirer**" is a business entity that during 2007-2023 had an agreement with Discover to facilitate Discover credit card transactions and was characterized by Discover's rules and regulations as an "Acquirer."

- A **“Payment Intermediary”** is a business entity that during 2007–2023 processed Discover credit card transactions on behalf of another business, but that is neither an End Merchant nor a Merchant Acquirer.
- A **“Misclassified Card Transaction”** means a Discover credit card transaction in which, at the time of processing and according to the records of Discover, the credit card account was classified by Discover Bank as a “commercial” credit card but should have been classified as a consumer credit card (i.e., a “rewards,” “premium,” or “premium plus” card).

If you received a notice of this Settlement by mail or email, records from Discover or another source indicate that you may be a Settlement Class Member. That notice may also indicate what type of Settlement Class Member you likely are.

Your business may be more than one type of Settlement Class Member. You may receive more than one notice and may need to take further action to receive payment or full payment.

THE CLAIMS IN THE LAWSUIT

4. What are these lawsuits about?

Plaintiffs allege in the lawsuits that beginning in 2007, Discover misclassified certain Discover-issued consumer credit cards as commercial credit cards, which in turn caused merchants and others to incur excessive interchange fees. Generally speaking, Discover assesses an “interchange fee” on each Discover credit card transaction. Sometimes, the interchange fee is paid entirely by the End Merchant. In other instances, the interchange fee (or a portion of the fee) is paid by other parties, such as a Merchant Acquirer or Payment Intermediary that has a relationship with the End Merchant. The percentage charged for a particular transaction, or “interchange fee rate,” is sometimes based on factors that include the type of Discover credit card used (e.g., commercial, rewards, premium, or premium plus). Plaintiffs allege that Discover assessed interchange fee overcharges by misclassifying certain consumer credit cards as commercial credit cards between 2007 and 2023.

Plaintiffs filed three related class action lawsuits about these issues. The operative complaints in these lawsuits are available at www.DiscoverMerchantSettlement.com. Discover denies the claims in the lawsuits, and the Court has not decided who is right or wrong.

Plaintiffs and Discover have now agreed to a Settlement to resolve these lawsuits, as described below. By agreeing to the Settlement, Discover has not admitted that it is liable, that it has committed any wrongdoing, or that there is any merit to the allegations and claims in these cases. Instead, the proposed Settlement, if approved, will resolve the lawsuits without deciding who is right or wrong.

The United States District Court for the Northern District of Illinois is overseeing these lawsuits and will determine whether the Settlement should be finally approved.

THE SETTLEMENT

5. What are the terms of the Settlement?

The complete terms of the proposed Settlement are set forth in the Settlement Agreement, which is available at www.DiscoverMerchantSettlement.com. This Notice provides only a summary of the terms of the Settlement. The Settlement benefits and other terms are summarized below.

6. How will settlement payments be calculated?

If the Settlement is approved and becomes final, Discover will provide payments to eligible Settlement Class Members who submit valid claims and/or provide additional information to the extent required (see Questions 7–14).

Your settlement payment amount will be calculated based on a variety of factors, including the total estimated interchange fee overcharge for each Discover merchant identifier (called a “MID”) associated with you, how interchange fee charges for each MID were allocated among the Merchant Acquirer (if

any), Payment Intermediaries (if any), and End Merchant associated with the same MID, and the total aggregate dollar amount of all settlement payments.

Discover uses a unique, Discover-specific merchant identifier (or “MID”) in its business records. This MID may be different from other identifiers your business uses. Depending on an End Merchant’s relationship with Merchant Acquirers and/or Payment Intermediaries, over time, an End Merchant may become associated with more than one MID (e.g., if the End Merchant changed from one payment processor to another), or multiple End Merchants may be assigned to a single MID (e.g., as is common with payment facilitators).

The procedure for determining settlement payment amounts is summarized below. For further detail, please review the full Settlement Agreement, which is available at www.DiscoverMerchantSettlement.com.

As the first step, Discover has calculated the total estimated interchange fee overcharge attributed to each MID from January 1, 2007 to December 31, 2023, plus applicable interest (a “MID Amount”), based on Discover’s data and two formulas developed for this purpose (called the “Methodology”). Pursuant to the terms of the Methodology, the MID Amount will be the higher of the amounts calculated using: (i) a formula that accounts for recently located data from Discover, and (ii) the formula included in a prior version of the Settlement (before such data had been located). For more information, see the Methodology (which is attached as Exhibit B to the Settlement Agreement), available at www.DiscoverMerchantSettlement.com.

If the Settlement is approved and becomes final, the Settlement Administrator will then determine, for each MID, how the MID Amount is to be allocated (i.e., split up) among all entities associated with that MID, including the Merchant Acquirer (if any), Payment Intermediaries (if any), and End Merchant. The allocations of MID Amounts will be based on the Settlement Administrator’s reasonable determination, using all information provided by Discover and through the settlement process, of which entity or entities were responsible for paying the interchange fees for that MID during the relevant time period. If you submit a timely and valid claim and/or provide additional information to the extent required, you will receive notice of the portion of any MID Amount that the Settlement Administrator determines should be allocated to you (an “Allocated MID Amount”). You will have the option to challenge the allocation by providing additional information for the Settlement Administrator’s consideration.

After all allocation determinations are finalized, the Settlement Administrator will calculate the settlement payment amount for each eligible Settlement Class Member. If you submit a timely and valid claim and/or provide additional information to the extent required, your settlement payment amount will be calculated as the aggregate total of all Allocated MID Amounts for all MID(s) associated with you, with the following adjustments:

1. *Settlement Base Payments*: Unless any of the conditions below applies, all eligible Settlement Class Members will receive a minimum of \$10—i.e., if your settlement payment would otherwise be less than \$10, your payment will be increased to \$10 by a “base payment” amount.
2. *Settlement Base Payment Maximum*: The Settlement provides for a \$50 million cap on base payments. If the aggregate total of all base payment amounts (pursuant to adjustment 1 above) exceeds \$50 million, then the base payment amounts will be decreased on a *pro rata* basis (which means generally that the amounts will be decreased proportionally) until the aggregate total of all base payment amounts equals \$50 million.
3. *Minimum Total Settlement Payout*: Discover has agreed to pay at least \$540 million to affected End Merchants, Merchant Acquirers, and Payment Intermediaries. If the total of all payment amounts—including payments through the Settlement and any qualifying payments made by Discover outside of the Settlement to resolve claims about the issues asserted in these lawsuits—is less than \$540 million, then each settlement payment amount (including any associated base payment) will be increased on a *pro rata* proportional basis until the total restitution payable by Discover equals \$540 million.
4. *Total Settlement Payout*: Under the Settlement, the maximum Discover will be required to pay to affected End Merchants, Merchant Acquirers, and Payment Intermediaries is \$1.225 billion plus interest. If the total of all payment amounts—including payments through the Settlement and any qualifying payments made by Discover outside of the Settlement to resolve claims about the issues asserted in these lawsuits—is greater than \$1.225 billion plus interest, then each

settlement payment amount (including any associated base payment) will be decreased on a *pro rata* proportional basis until the total restitution payable by Discover equals \$1.225 billion plus interest. Discover may in its sole discretion decide to make payments in excess of \$1.225 billion plus interest.

7. How do I get a payment?

With limited exceptions, to receive a settlement payment, you will need to file a claim and/or provide additional information to the Settlement Administrator. The information you need to provide, and when, depends on which type of Settlement Class Member you are. The type of Settlement Class Member you are depends on your role in processing or accepting Discover credit card transactions. Your business may be more than one type of Settlement Class Member. You may receive more than one notice and may need to take further action to receive payment or full payment.

Questions 8-14 below describe each Settlement Class Member type and instructions for what you need to do to receive a settlement payment. Complete definitions for the different types of Settlement Class Members can be found in the Settlement Agreement, available at www.DiscoverMerchantSettlement.com. If you received a notice of this Settlement by mail or email, please refer to that notice to see what type of Settlement Class Member you might be:

If you received a notice letter or email that says then see	
you are receiving a "Standard Notice"	Question 8
you are a Managed Active Direct End Merchant	Question 9
you are an Unmanaged Active Direct End Merchant	Question 10
you are an Inactive Direct End Merchant	Question 11
you are a Merchant Acquirer	Question 12
you may be a Payment Intermediary	Question 13

Please read the instructions in Questions 8-14 carefully. If you are unsure what type of Settlement Class Member you are after reading the descriptions below, or if you think you may be a different type of Settlement Class Member than indicated in the notice you received, you should file a claim as early as possible. The Settlement Administrator will then notify you if additional action is required on your part. Similarly, if you did not receive a notice by mail or email or if you lost the notice you received, and you believe you are a Settlement Class Member, you may still submit a claim, postmarked or submitted online at www.DiscoverMerchantSettlement.com, by **May 18, 2026**. If you have any questions about what type of Settlement Class Member you are, you can call the Settlement Administrator at 888-655-3176 or email them at Info@DiscoverMerchantSettlement.com.

8. Is my business an Indirect End Merchant, and if so, how do I get a payment?

Most Settlement Class Members are Indirect End Merchants.

Requirements to get a payment: To receive a settlement payment as an Indirect End Merchant, you **must submit a claim**, postmarked or submitted online at www.DiscoverMerchantSettlement.com, by **May 18, 2026**. To submit a claim form, you can either: (a) submit one online at www.DiscoverMerchantSettlement.com; (b) fill out the claim form you received in the mail and mail it to the Settlement Administrator at the address listed in the form; or (c) download a copy of the claim form at www.DiscoverMerchantSettlement.com, fill it out, and mail it to the Settlement Administrator at the address listed in the form.

To determine whether you are an Indirect End Merchant, answer the following question(s):

Questions	No	Yes
A. Do you process or accept Discover credit cards on behalf of other businesses?	Proceed to Question B.	You are likely not an End Merchant. Proceed to Questions 12-13 below to determine whether you are a Merchant Acquirer or Payment Intermediary.
B. Do you have a written contractual relationship <i>directly with Discover</i> to accept Discover credit cards (as opposed to a relationship with a merchant acquirer, a payment processor, or other payment facilitator)?	You are most likely an Indirect End Merchant. Follow the directions in this Question 8 to receive a settlement payment.	You are not an Indirect End Merchant. Proceed to Questions 9-11 below to determine what type of Direct End Merchant you are.

If you are unsure, file a claim and the Settlement Administrator will contact you should additional information be needed.

9. Is my business a Managed Active Direct End Merchant, and if so, how do I get a payment?

An Active Direct End Merchant is an End Merchant that (a) has a current written contractual relationship directly with Discover to accept Discover credit cards and that has processed a Discover credit card transaction at any time since May 1, 2025, or (b) had a written contractual relationship directly with Discover to accept Discover credit cards at one point between 2007 and 2023 and that the Settlement Administrator has determined to a reasonable degree of confidence was still in operation as of July 30, 2025. A *Managed* Active Direct End Merchant is an Active Direct End Merchant that also interacts with Discover through a dedicated client relationship manager on a regular basis. Written contractual relationships directly with Discover and *Managed* relationships with Discover are relatively uncommon.

Requirements to get a payment: To receive a settlement payment as a Managed Active Direct End Merchant, you must provide your payment information (where you want the payment sent) to the Settlement Administrator, and confirm the proper entity to receive payment, by **May 18, 2026**.

The notice you received by mail or email has instructions about how to submit your payment information. You can submit your payment information online at www.DiscoverMerchantSettlement.com. Visit www.DiscoverMerchantSettlement.com or contact the Settlement Administrator, at 888-655-3176 or Info@DiscoverMerchantSettlement.com, for more information. Your business may be more than one type of Settlement Class Member. You may receive more than one notice and may need to take further action to receive payment or full payment. Note, the Settlement Administrator may later request a completed IRS Form W-9 before issuing your settlement payment. To save time, you may provide this information online.

10. Is my business an Unmanaged Active Direct End Merchant, and if so, how do I get a payment?

An Active Direct End Merchant is an End Merchant that (a) has a current written contractual relationship directly with Discover to accept Discover credit cards and that has processed a Discover credit card transaction at any time since May 1, 2025, or (b) had a written contractual relationship directly with Discover to accept Discover credit cards at one point between 2007 and 2023 and that the Settlement Administrator has determined to a reasonable degree of confidence was still in operation as of July 30, 2025. Written contractual relationships directly with Discover are relatively uncommon. An *Unmanaged* Active Direct End Merchant (as distinguished from a *Managed* Active Direct End Merchant) is an Active Direct End Merchant that does *not* interact with Discover through a dedicated client relationship manager on a regular basis.

Requirements to get a payment: As an Unmanaged Active Direct End Merchant, you have already been deemed payment eligible. Once the Settlement is approved and becomes final, a payment for these years will be sent to you at the address on file with the Settlement Administrator. To update your address, visit www.DiscoverMerchantSettlement.com. Your business may be more than one type of Settlement Class Member. You may receive more than one notice and may need to take further action to receive payment or full payment.

Note, the Settlement Administrator may later request a completed IRS Form W-9 before issuing your settlement payment. To save time, you may provide this information online.

11. Is my business an Inactive Direct End Merchant, and if so, how do I get a payment?

Generally speaking, a Direct End Merchant is an End Merchant that has (or had) a written contractual relationship with Discover to accept Discover credit cards. Written contractual relationships directly with Discover are relatively uncommon. An *Inactive* Direct End Merchant is a Direct End Merchant that has not recently processed a Discover credit card transaction under that written contract with Discover or that the Settlement Administrator cannot determine was still in operation as of July 30, 2025.

Requirements to get a payment: To receive a settlement payment as an Inactive Direct End Merchant, you **must submit a claim**, postmarked or submitted online at www.DiscoverMerchantSettlement.com, by **May 18, 2026**.

To submit a claim form, you can either: (a) submit one online at www.DiscoverMerchantSettlement.com; (b) fill out the claim form you received in the mail and mail it to the Settlement Administrator at the address listed in the form; or (c) download a copy of the claim form at www.DiscoverMerchantSettlement.com, fill it out, and mail it to the Settlement Administrator at the address listed in the form.

12. Is my business a Merchant Acquirer, and if so, how do I get a payment?

A Merchant Acquirer is a business entity that during 2007-2023 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."

Requirements to get a payment: To receive a settlement payment as a Merchant Acquirer, you must do **both** of the following:

1. By **November 12, 2025**, you must submit **additional information**, called your "Merchant Acquirer Information," to the Settlement Administrator. The Settlement Administrator is to provide all identified Merchant Acquirers a letter that includes a recommended data layout for the required Merchant Acquirer Information component fields and options for how this information may be securely submitted to the Settlement Administrator. If you would like to receive another copy of this letter, contact the Settlement Administrator at 1-888-655-3176 or Info@DiscoverMerchantSettlement.com.
2. By **May 18, 2026**, you must **also submit a claim**, postmarked or submitted online at www.DiscoverMerchantSettlement.com.

Note, the Settlement Administrator may later request a completed IRS Form W-9 before issuing your settlement payment. To save time, you may provide this information online after submitting a claim.

13. Is my business a Payment Intermediary, and if so, how do I get a payment?

A Payment Intermediary is a business entity that during 2007-2023 processed Discover credit card transactions on behalf of another business, but that is neither an End Merchant nor a Merchant Acquirer.

Requirements to get a payment: To receive a settlement payment as a Payment Intermediary, you must do **both** of the following:

1. By **February 25, 2026**, you must submit **additional information**, called your "Payment Intermediary Information," to the Settlement Administrator. The Settlement Administrator is to provide all identified Payment Intermediaries a letter that includes a recommended data layout for the required Payment Intermediary Information component fields and options for how this information may be securely submitted to the Settlement Administrator. If you would like to receive another copy of this letter, contact the Settlement Administrator at 1-888-655-3176 or Info@DiscoverMerchantSettlement.com.
2. By **May 18, 2026**, you must **also submit a claim**, postmarked or submitted online at www.DiscoverMerchantSettlement.com.

Note, the Settlement Administrator may later request a completed IRS Form W-9 before issuing your settlement payment. To save time, you may provide this information online after submitting a claim.

14. What if my business is multiple Settlement Class Member types?

In certain limited circumstances, a single entity may be multiple types of Settlement Class Member. For example, a single entity could be a Payment Intermediary *and* an End Merchant. If your legal entity is multiple types of Settlement Class Member, you must fulfill the claim requirements for each respective type in order to complete your claim and receive all payments you may be eligible for under the Settlement. Therefore, if you receive more than one notice, **do not** disregard either notice, as you may need to take further action to receive payment or full payment.

15. Will I be notified about the settlement payment I am eligible to receive?

Yes. The Settlement Administrator will validate claims and review all information submitted and will determine allocations and payment amounts pursuant to the terms of the Settlement. If you submit a timely and valid claim and/or provide additional information to the extent required, before settlement payments are issued, the Settlement Administrator will provide you a notice regarding the amount of estimated interchange fee overcharges allocated to you, and you will be given the option to challenge the allocation by providing additional information for the Settlement Administrator's consideration.

16. How and when will payments be sent?

Settlement payments to eligible Settlement Class Members will be issued after the Settlement is approved and becomes final. Payments will be sent by mailed check or, at the election of the Settlement Class Member, transmitted by ACH payment to the Settlement Class Member's designated U.S. bank account.

Depending on the amount of your settlement payment, the Settlement Administrator may require a completed IRS Form W-9 before issuing payment. To save time, you may provide this information online.

For any settlement payment checks that are not timely cashed or cannot be successfully delivered following reasonable efforts by the Settlement Administrator, those residual amounts will be distributed to a non-profit educational or public benefit organization as a *cy pres* recipient to be proposed by Settlement Class Counsel with input from Discover, subject to Court approval.

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

Yes. The Court has appointed the following attorneys and law firms to represent the Settlement Class. Together, these lawyers are called "Settlement Class Counsel":

Roger N. Heller Lieff Cabraser Heimann & Bernstein LLP 275 Battery Street, 29th Floor San Francisco, CA 94111	Catherine Pratsinakis Dilworth Paxson LLP 1650 Market Street, Ste. 1200 Philadelphia, PA 19103	Taras Kick The Kick Law Firm, APC 815 Moraga Drive Los Angeles, CA 90049
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You do not have to pay Settlement Class Counsel out of your pocket for their time or expenses incurred in this case. Instead, Settlement Class Counsel will ask the Court for an award of their fees and expenses, as described in Question 18 below.

The Court has also appointed Plaintiffs CAPP, Inc.; Young Peoples Day Camps Inc.; Prayus Group LLC; Lemmo's Pizzeria, LLC; and Lennys Casita, LLC as Settlement Class Representatives to represent the Settlement Class.

18. How will the lawyers be paid?

Settlement Class Counsel (see Question 17) will file a motion on or before November 30, 2025 asking the Court to award them attorneys' fees (not to exceed \$25 million) plus reimbursement of their litigation expenses (not to exceed \$1 million). In addition, Settlement Class Counsel will ask the Court to award each of the five Settlement Class Representatives service awards of up to \$7,500 each, to compensate them for their efforts and commitment on behalf of the Settlement Class in these lawsuits. Settlement Class Counsel's motion for attorneys' fees, expenses, and service awards will be available at www.DiscoverMerchantSettlement.com after it is filed.

Under the terms of the Settlement, any amounts awarded by the Court to Settlement Class Counsel and Settlement Class Representatives will be paid by Discover separate from (in other words, in addition to) settlement payments paid to Settlement Class Members. This means that payments approved by the Court to Settlement Class Counsel and Settlement Class Representatives will not affect the amount of any Settlement Class Member's payment.

The attorneys' fees and expenses awarded by the Court will be the only payment to Settlement Class Counsel for their efforts in achieving the Settlement and for their risk in undertaking these lawsuits on behalf of the Settlement Class.

19. Should I hire my own lawyer?

You do not need to hire your own lawyer because the Court has appointed Settlement Class Counsel to represent you and the other members of the Settlement Class. However, you have the right to hire your own lawyer. If you want your own lawyer separate from Settlement Class Counsel, you will have to pay that lawyer.

YOUR RIGHTS AND OPTIONS

20. What happens if I do nothing?

If you do nothing, you will not receive any settlement payment unless you are an Unmanaged Active Direct Merchant. See Questions 7-14 for more detail.

If you do not exclude yourself and the Court approves the Settlement, you will give up any right you may have to sue Discover about the claims in these lawsuits or related to the Misclassified Card Transactions. You will also be legally bound by all of the orders that the Court issues and judgments the Court makes in these lawsuits.

21. How do I exclude myself from (opt out of) the Settlement Class?

To exclude yourself from the Settlement Class, you must mail a written request for exclusion to: Discover Merchant Settlement Exclusion Requests, c/o Epiq Class Action, PO Box 5370, Portland, OR 97228-5370.

To be effective, your request for exclusion must be postmarked no later than **March 25, 2026**, and must include the following information:

- (a) (i) the Settlement Class Member's full legal name, (ii) any aliases (such as "doing business as" or "DBA" names), (iii) telephone number, (iv) mailing address, (v) email address, (vi) business tax identification number ("TIN"), and (vii) if known, all Discover merchant identifiers ("MIDs") associated with the Settlement Class Member*;
- (b) the name and case number of the lead lawsuit: *CAPP, Inc. et al. v. Discover Bank et al.*, Case No. 23 cv 4676;
- (c) a clear and unequivocal statement that the Settlement Class Member wishes to be excluded from the Settlement Class; and
- (d) the name(s) and signature(s) of the individual(s) authorized to act on the Settlement Class

Member's behalf. If the person submitting the request for exclusion is doing so on behalf of a Settlement Class Member (such as an attorney or estate), the request must also include the full name of the person submitting the request and the basis of their authority to act on behalf of the Settlement Class Member.

*If a potential Settlement Class Member receives a notice and claim packet directly from the Settlement Administrator by postal mail and/or email, the Settlement Class Member may register at www.DiscoverMerchantSettlement.com using the Claimant ID and PIN preprinted or prepopulated on the claim form to access a list of the Discover MIDs that the Settlement Administrator has been able to link to that likely Settlement Class Member.

Requests for Exclusion must be specific to an individual Settlement Class Member, and one Settlement Class Member cannot request exclusion on behalf of any other Settlement Class Member or as a class or group. If you are an authorized representative for more than one Settlement Class Member that elects to exclude itself from the Settlement Class, you must submit a separate request for exclusion for each Settlement Class Member.

22. How do I object or comment?

If you have not excluded yourself from the Settlement Class, you can object to or comment on the Settlement, Settlement Class Counsel's request for attorneys' fees and expenses, and/or the request for service awards for the Settlement Class Representatives who brought these lawsuits. To object or comment, you must send a signed, written objection or comment to both the Court and the Settlement Administrator that includes the following:

- (a) (i) the Settlement Class Member's full legal name, (ii) any aliases (such as "doing business as" or "DBA" names), (iii) telephone number, (iv) mailing address, (v) email address, (vi) business tax identification number ("TIN"), and (vii) if known, all merchant identifiers ("MIDs") associated with the Settlement Class Member*;
- (b) the name and case number of the lead lawsuit: *CAPP, Inc. et al. v. Discover Bank et al.*, Case No. 23 cv 4676;
- (c) a description of the specific reasons for the objection or comment;
- (d) if the Settlement Class Member is represented by its own lawyer, the name, address, bar number, and telephone number of the lawyer;
- (e) a statement of whether the Settlement Class Member intends to appear at the Final Approval Hearing, either in person or through its lawyer; and
- (f) the name(s) and signature(s) of the individual(s) authorized to act on the Settlement Class Member's behalf.

*If a potential Settlement Class Member receives a notice and claim packet directly from the Settlement Administrator by postal mail and/or email, the Settlement Class Member may register at www.DiscoverMerchantSettlement.com using the Claimant ID and PIN preprinted or prepopulated on the claim form to access a list of the Discover MIDs that the Settlement Administrator has been able to link to that likely Settlement Class Member.

To be considered by the Court, your objection or comment must be (1) filed with the Court or mailed to the Clerk of the Court, and (2) mailed in duplicate to the Settlement Administrator, filed/postmarked no later than **March 25, 2026**. The addresses of the Clerk of the Court and the Settlement Administrator are as follows:

The Court	The Settlement Administrator
Office of the Clerk Dirksen Federal Building United States District Court for the Northern District of Illinois 219 South Dearborn Street Chicago, IL 60604	Discover Merchant Settlement Objections c/o Epiq Class Action PO Box 5370 Portland, OR 97228-5370

Note that an objection may ask the Court to deny approval of the Settlement, but the Court cannot order a different settlement; the Court can only approve or reject this proposed Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuits will continue.

Any Settlement Class Member who does not timely and validly submit an objection waives the right to object or be heard at the Final Approval Hearing.

23. What claims are released by the Settlement?

If you are a Settlement Class Member and do not timely and validly exclude yourself from the Settlement Class, and the Settlement is approved and becomes final, the Settlement will be legally binding on you, and you will be bound by all judgments entered in these cases. In exchange for the benefits of the Settlement, you will release the claims in these lawsuits and related to the Misclassified Card Transactions against Discover and its affiliates, as detailed in the Settlement Agreement. The Settlement Agreement, available at www.DiscoverMerchantSettlement.com, describes the claims you are releasing (giving up) by staying in the Settlement Class (called “Released Claims”).

THE COURT’S FINAL APPROVAL HEARING

24. When and where will the Court consider whether to approve the Settlement?

The Court will hold a Final Approval Hearing, currently scheduled for **9:30 a.m. (Central Time) on May 20, 2026**, in the United States District Court for the Northern District of Illinois, Courtroom 2319, 219 South Dearborn Street, Chicago, IL 60604. The hearing may be moved to a different date or time without additional notice or may be held remotely or telephonically. Please check www.DiscoverMerchantSettlement.com for updates or changes.

At the Final Approval Hearing, the Court will consider whether the Settlement should be approved as fair, reasonable, and adequate. The Court will also consider Settlement Class Counsel’s application for attorneys’ fees, expenses, and service awards. If there are objections or comments, the Court will consider them. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

25. Do I have to come to the hearing?

No. Settlement Class Counsel will represent Settlement Class Members and answer questions the Court may have. But you are welcome to come at your own expense. If you submit an objection, you do not have to come to the Court to talk about it. So long as you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

26. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

GETTING MORE INFORMATION

27. How can I obtain more information?

More information can be found at www.DiscoverMerchantSettlement.com. That website includes important case deadlines, links to case documents including the Settlement Agreement, the complaints in these lawsuits, and other information about the lawsuits and the Settlement. You can also get more information by calling 888-655-3176, or by calling Settlement Class Counsel at 800-971-8881.

You can also get additional information by accessing the Court docket in this case, for a fee, through the Court’s Public Access to Court Electronic Records (PACER) system at ecf.ilnd.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of Illinois, 219 South

Dearborn Street, Chicago, IL 60604, between 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding federal holidays. Please check the Court's website, www.ilnd.uscourts.gov, for updates.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE.