



Final Distribution Made in Landmark Visa/MasterCard Antitrust Settlement

American Antitrust Institute, Consumers Union, and U.S. PIRG will receive *cy pres* donation of \$1.75 million remaining from the historic settlement in *In re Visa Check/MasterMoney Antitrust Litigation*; total settlement was valued by the court at \$25 - \$87 billion

NEW YORK, Oct. 26, 2011 /PRNewswire/ -- Three nonprofit groups will split nearly \$1.75 million in the final distribution in the landmark antitrust settlement over Visa and MasterCard-branded signature debit cards.

Fifty percent of approximately \$1.75 million remaining in the settlement fund will be donated to the American Antitrust Institute (AAI), an organization dedicated to education, research and advocacy concerning antitrust law. The remaining funds will be split evenly between two consumer organizations: U.S. PIRG, a federation of state Public Interest Research Groups (PIRGs); and Consumers Union of the United States.

Originally filed in 1996, the 2003 settlement in *In re Visa Check/MasterMoney Antitrust Litigation* is the largest antitrust settlement in U.S. history. In addition to more than \$3 billion in monetary compensation to merchants, the settlement stopped Visa and MasterCard from forcing merchants to accept exorbitantly priced Visa and MasterCard-branded signature debit card products as a condition of accepting Visa and MasterCard credit cards. The settlement also ensured Visa and MasterCard debit cards were clearly marked as debit cards so that they could be easily distinguished from Visa and MasterCard credit cards. Court decisions in the case estimated that the total value of the injunctive relief ranged from \$25 to \$87 billion.

In making the *cy pres* award, Judge John Gleeson of the United States District Court for the Eastern District of New York noted that the potential cost of disbursing the final sum directly to merchants made such a final payment economically unfeasible. Under the *cy pres* doctrine, such settlement funds can be disbursed to groups that promote the general interest of the settlement class, rather than reverting to the defendant.

The administration of more than \$3 billion in the settlement fund was remarkably efficient, with the final \$1.75 million *cy pres* award representing less 0.7% of the total amount set aside as settlement in the case. Well over 99% of the funds, net of expenses, were disbursed to merchants that were plaintiffs in the class action. The last major disbursement, totaling more than \$1.1 billion, occurred in December 2009.

The settlement fund was administered by Constantine Cannon LLP, the law firm that

successfully won the settlement on behalf of more than four million merchants across the nation.

Lloyd Constantine, founder of Constantine Cannon, said: "Fifteen years ago – nearly to the day -- we filed one of those rare private antitrust actions that specifically redressed a serious problem for American consumers and merchants. We are pleased to have returned such value to retailers over the years."

Jeffrey I. Shinder, Managing Partner of the New York office of Constantine Cannon, said: "With this final disbursement, we now close the books on administration of one of the largest settlement funds in history. We are extremely proud at the efficiency of the distribution, which matched the quality of the case itself. We are pleased that the *cy pres* disbursement has been awarded to such worthy organizations."

About Constantine Cannon LLP

Constantine Cannon LLP has deep expertise in practice areas that include antitrust and complex commercial litigation, government relations, employment matters, securities and e-discovery.

SOURCE Constantine Cannon LLP

Find this article at:

http://www.prnewswire.com/news-releases/final-distribution-made-in-landmark-visamastercard-antitrust-settlement-132613038.html?utm_source=CPI+Subscribers&utm_campaign=b208bf9608-Tuesday_October_25_2011_new_template10_25_2011&utm_medium=email