

CONSTANTINE | CANNON

Robert L. Begleiter
Attorney at Law
212-350-2707
rbegleiter@constantinecannon.com

NEW YORK | WASHINGTON

August 31, 2009

VIA HAND DELIVERY AND ECF

The Honorable John Gleeson
United States District Court Judge
for the Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

Re: In re Visa Check/MasterMoney Antitrust Litigation, CV-96-5238 (JG)(JO)

Dear Judge Gleeson:

I am pleased to be able to advise the Court of a significant development in connection with the remaining settlement account payments (the "Future Payments") from Visa U.S.A. Inc. ("Visa") to the Plaintiff Class. As with the remaining account settlement payments from MasterCard International Incorporated ("MasterCard"), Lead Counsel intended to securitize the \$800 million in Future Payments that Visa is obligated to pay the Plaintiff Class through December 2012, pursuant to the terms of the parties' settlement agreement. Toward that end, Lead Counsel recently sought and obtained Court approval to engage securitization counsel for the Plaintiff Class. See Lead Counsel's submission and this Court's Order both dated August 14, 2009. However, Lead Counsel and Visa have since entered into the enclosed Agreement To Prepay Future Payments At A Discount, dated August 31, 2009 (the "Visa Prepayment Agreement"), whereby, subject to this Court's approval, Visa has agreed to pay \$682,000,000.00 by the later of September 30, 2009, or the day after Court approves the Visa Prepayment Agreement, in full satisfaction of all of its payment obligations to the Plaintiff Class.

While Lead Counsel intends to formally move this Court by Order to Show Cause for approval of the Visa Prepayment Agreement, in advance thereof, this is to inform the Court that Lead Counsel entered into the Visa Prepayment Agreement only after the Independent Expert and the financial advisor for the Plaintiff Class confirmed that the Visa Prepayment Agreement would be more beneficial to the Plaintiff Class than proceeding with a securitization of the Visa Future Payments. In that regard, not only does the payment under the Visa Prepayment Agreement equate to a discount rate comparable to that already approved by the Court in connection with the prepayment by MasterCard, it also eliminates all market risk and the need for a large residual distribution to the Plaintiff Class of the Visa Future Payments which would occur at the conclusion of a securitization in 2012. In addition, this prepayment offers the advantage of (i) eliminating the need to establish reserve accounts totaling approximately \$21

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million; (ii) reducing substantially all of the transaction costs associated with closing a securitization; (iii) eliminating the need to maintain a residual balance estimated at \$16 million; and (iii) eliminating the costs associated with administering a securitization going forward.

Lead Counsel's motion to approve the Visa Prepayment Agreement, as well as a Supplemental Report from the Independent Expert regarding the benefits of the Visa Prepayment Agreement to the Plaintiff Class, will be forthcoming.

Respectfully submitted,


Robert L. Begleiter

Enclosures

cc: Robin Wilcox, Esq. (*via electronic mail*)
Special Master

George W. Sampson, Esq. (*via electronic mail*)
Co-Lead Counsel for the Plaintiffs

Bernard Black (*via electronic mail*)
Independent Expert

Robert C. Mason, Esq. (*via electronic mail*)
Counsel for Visa U.S.A. Inc.