

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEBRASKA

If you are a Current or Former Customer of Central Payment Company, LLC (“CPAY”) and were assessed TSSNF (a/k/a TSYS Network) or PCI noncompliance fees, had your card discount rates increased above your contractual rates, and/or had card transactions shifted from lower-cost to higher-cost rate tiers, you may qualify for benefits from a class action Settlement.

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

- A Settlement has been proposed to end a class action lawsuit brought against CPAY. The lawsuit, referred to as *Custom Hair Designs by Sandy, LLC et al. v. Central Payment Co., LLC*, Case No. 8:17-cv-00310-JFB-CPZ (D. Neb.), alleges, among other things, that CPAY misrepresented fees it charged for its card processing services and improperly added or inflated fees. CPAY denies these allegations but has entered into this Settlement to avoid the expense and uncertainty of litigation.
- Under the Settlement, if approved by the Court, CPAY will pay up to \$84,000,000 for the benefit of customers who are members of the Class.
- Current Customers who are members of the Class are eligible to receive a cash payment. If you are a Current Customer and a member of the Class, you will automatically receive a cash payment. The amount of your cash payment will be based on an allocation method which is attached as Exhibit 1 to the Settlement Agreement.
- Former Customers who are members of the Class and who file a valid and timely claim are eligible to receive a cash payment. The amount of your cash payment will be based on an allocation method which is attached as Exhibit 1 to the Settlement Agreement. The deadline for filing your claim is **August 6, 2022**.
- The costs of Notice and administration and, if approved by the Court, the fees and expenses of the lawyers representing the Class and Service Awards to the Class Representatives will be paid out of the Settlement Fund.
- The Court has scheduled a hearing on **July 25, 2022**, in Omaha, Nebraska to decide whether to finally approve the Settlement and other related matters.

Your legal rights are affected whether you act or don’t act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you are a Current Customer who is a member of the Class, you will automatically receive payment and you will be bound by the Settlement. If you are a Former Customer who is a member of the Class, you will get no payment and forfeit your right to sue CPAY for the claims being resolved by this Settlement.
ACCEPT THE BENEFITS OF THE SETTLEMENT	If you are a Current Customer who is a member of the Class, you will automatically receive a payment and you will be bound by the Settlement. If you are a Former Customer who is a member of the Class, you must file a Claim Form to receive a payment. This is the only way to get a payment if you are a Former Customer.
EXCLUDE YOURSELF (OPT OUT) FROM THE SETTLEMENT	If you ask to be excluded, you will not receive any benefits from the Settlement, but you may be able to file your own lawsuit.
OBJECT	You may remain in the case and file an objection telling the Court why you do not like the Settlement. If your objections are overruled, you will be bound by the Settlement.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com

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Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com

BASIC INFORMATION

1. Why did I get this Notice?

If you received notice of this Settlement by electronic mail or postcard, Plaintiffs' counsel has determined from CPAY's records that you are a Current or Former Customer of CPAY and met the Class criteria during the relevant period from January 1, 2010, through October 31, 2020.

The Court authorized this Notice because you have a right to know about your rights under a proposed class action Settlement before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections and appeals are resolved, the Settlement Administrator appointed by the Court will make the cash payments that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is this lawsuit about?

The case is known as *Custom Hair Designs by Sandy, LLC, et al. v. Central Payment Co., LLC*, Case No. 8:17-cv-00310-JFB-CPZ, and is pending in the United States District Court for the District of Nebraska. The two merchants who sued are called the "Plaintiffs," and the company they sued, CPAY, is the "Defendant."

Plaintiffs allege, among other things, that CPAY misrepresented fees it charged for its card processing services and improperly added or inflated fees. The lawsuit seeks to recover the amount CPAY customers were allegedly overcharged, as well as other monetary and nonmonetary relief.

CPAY denies these allegations and disputes that it acted improperly or that it has any legal liability for the asserted claims. CPAY also disputes that this action may be appropriately treated as a class action.

The Court has not decided whether Plaintiffs' claims have merit.

3. Why is this a class action?

In a class action, one or more people or entities called "Class Representatives" sue on behalf of themselves and other people and entities with similar claims. All of these people and entities together are the "Class" or "Class Members." One court resolves the issues for all Class Members, except for those who exclude themselves from the class. A class action allows the claims of all Class Members to be more efficiently resolved than individual lawsuits and provides a remedy for Class Members whose individual damages are not large enough to justify a lawsuit.

4. Why is there a Settlement?

The Court has not decided in favor of Plaintiffs or CPAY. Instead, both sides agreed to the Settlement. Settlements avoid the costs and uncertainty of a trial and related appeals, while providing benefits to the Class. The Class Representatives and the attorneys for the Class support the Settlement.

WHO IS PART OF THE SETTLEMENT

5. How do I know if I am part of the Settlement?

You are a member of the Class and affected by the Settlement if you are a Current or Former CPAY Customer and from January 1, 2010, to October 31, 2020, you were (a) assessed the TSSNF Fee (a/k/a TSYS Network Fee); (b) assessed the PCI Noncompliance Fee; (c) had your contractual credit card discount rates increased above your contractual rate by CPAY; and/or (d) had credit card transactions shifted by CPAY from lower-cost rate tiers to higher-cost rate tiers.

If you received an Email or Postcard Notice from the Settlement Administrator, Plaintiffs' counsel has determined from CPAY's records that you are a Class Member. If you did not receive an email or postcard but wish to confirm whether you are a Class Member, you may contact the Settlement Administrator at the phone number or address identified on page 8 to seek this confirmation.

Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com

THE SETTLEMENT – WHAT YOU GET AND GIVE UP IF YOU QUALIFY

6. Are there exceptions to being included?

If you exclude yourself from the Settlement, you are no longer part of the Class and will no longer be eligible to receive any of the Settlement benefits. This process of excluding yourself is also referred to as “opting out” of the Settlement.

THE SETTLEMENT BENEFITS

7. What does the Settlement provide?

CPAY will pay up to \$84,000,000 into a Settlement Fund to pay cash benefits to Class Members; the cost of notifying the Class and administering the Settlement; and, subject to the Court’s approval, the fees and expenses of the lawyers who represent the Class and Service Awards to the Class Representatives.

Class Members who maintained one or more payment card processing accounts with or through CPAY as of March 9, 2022, are considered “Current Customers.” If you are a Current Customer, you will automatically receive a payment.

Class Members who are not Current Customers are considered “Former Customers.” Former Customers are eligible for a payment but must file a valid and timely Claim Form to get it.

After all claims of Former Customers have been received, the following amounts will be totaled: payments to be made to Current Customers and Former Customers that filed a valid and timely claim; the costs of Notice and administration; any taxes paid from the Settlement Fund; and the amount the Court authorizes for attorneys’ fees and expenses for Class Counsel, and Service Awards to the Class Representatives. If this total is less than \$84 million but more than \$58.8 million, Defendant will retain the difference between the total and \$84 million. If the total is less than \$58.8 million, Current Customers and Former Customers that filed a valid and timely claim will share an additional payment constituting the difference between the total and \$58.8 million. This additional payment will be made at the same time as the other cash payments described above.

When the payments are ready for distribution, Current Customers and Former Customers that filed a valid and timely claim will be sent an email by the Settlement Administrator that provides an option to receive payment electronically via PayPal or Venmo. For those customers without an email address in the Settlement Administrator’s records and those customers that do not elect to receive their payment electronically via PayPal or Venmo within seven (7) days of such email being sent, payments will be sent via check to the physical address in the Settlement Administrator’s records. To this end, Class Members should notify the Settlement Administrator of any changes in their physical address.

8. How much will my cash payment be?

Using the billing data CPAY produced in this case, Plaintiffs’ data expert has calculated each Class Member’s purported damages based on Plaintiffs’ claims and the challenged fees/practices at issue. Using these calculations and based on each Class Member’s *pro rata* share of the total purported damages as calculated by Plaintiffs’ data expert, the Settlement Administrator will allocate to each Class Member its *pro rata* share of the “Net Settlement Amount.” “Net Settlement Amount” means the portion of the \$84 million Settlement Amount that remains after deducting costs of Notice and administration and the amount the Court authorizes for attorneys’ fees and expenses of the Class Counsel, Service Awards to the Class Representatives, and any taxes paid.

You can find out more detail about the formula by reading the Settlement Agreement and Exhibit 1 to it at CentralPaymentClassAction.com. In addition, as described in an answer to the previous question, Current Customers and Former Customers who file a timely and valid claim may receive an additional amount depending on the value of Former Customer claims that are timely filed.

The individual payments to Class Members will vary based on how much each Class Member was assessed by CPAY as a result of the challenged fees/practices at issue in the case. The actual amount of each Class Member’s payment will not be calculated until all the necessary information is available.

Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com

HOW TO GET A PAYMENT

9. How can I get a payment?

Current Customers will automatically receive a payment. When the payments are ready for distribution, Current Customers will be sent an email by the Settlement Administrator that provides an option to receive payment electronically via PayPal or Venmo. For those customers without an email address in the Settlement Administrator's records and those customers that do not elect to receive their payment electronically via PayPal or Venmo within seven (7) days of such email being sent, payments will be sent via check to the physical address in the Settlement Administrator's records. To this end, Current Customers should notify the Settlement Administrator of any changes in their physical address. It is not necessary for Current Customers to file a claim in order to receive a payment.

Former Customers must validly complete and submit a simple Claim Form to qualify for a payment. The Claim Form asks Former Customers to attest that they are in the Class and to provide their current contact information. The Claim Form can be filled out at CentralPaymentClassAction.com using the unique identification number set forth on the Email or Postcard Notice you received. Alternatively, you can download a Claim Form from the website or by calling the Settlement Administrator at 1-855-654-0931 and then complete and return the Claim Form to the Settlement Administrator electronically through the website or by mail at Central Payment Class Action Lawsuit, P.O. Box 5747, Portland, OR 97228-5747.

Former Customers must submit their claim online, send it electronically through the website, or mail it no later than **August 6, 2022**. Late claims will not be accepted. When the payments are ready for distribution, Former Customers that filed a valid and timely claim will be sent an email by the Settlement Administrator that provides an option to receive payment electronically via PayPal or Venmo. For those customers without an email address in the Settlement Administrator's records and those customers that do not elect to receive their payment electronically via PayPal or Venmo within seven (7) days of such email being sent, payments will be sent via check to the physical address in the Settlement Administrator's records. To this end, Former Customers should include their current contact information on their Claim Form and notify the Settlement Administrator of any subsequent changes in their contact information.

10. When will I get the Settlement benefits for which I am eligible?

The Court will hold a hearing on **July 25, 2022**, to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals, which could take more than a year to resolve. Cash payments to Class Members will be made after the Settlement is finally approved, and any appeals or other required proceedings have been completed. You may visit CentralPaymentClassAction.com for updates on the progress of the Settlement. Please be patient.

11. What am I giving up to get a Settlement benefit or remain in the Class?

Unless you exclude yourself from the Settlement, you cannot sue CPAY or be part of any other lawsuit against CPAY about the issues this Settlement resolves. You will also be bound by all of the Court's decisions and the release contained in the Settlement. The specific claims you will be giving up against CPAY are described in Section X of the Settlement Agreement. Read it carefully. The Settlement Agreement is available at CentralPaymentClassAction.com.

If you have any questions, you can talk to the lawyers, who are called "Class Counsel," representing the Class. Their names are listed below. You will not be charged to talk to Class Counsel. You may, of course, talk to your own lawyer at your own expense if you have questions about what excluding yourself means.

If you want to keep your rights to sue (or continue to sue) CPAY based on the claims this Settlement resolves, you must take steps to exclude yourself from the Settlement Class (*see* Questions 12-14).

Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How can I exclude myself from the Settlement?

To exclude yourself from the Settlement, or “opt out,” you must send a letter by U.S. Mail that includes:

- The name of this case (*Custom Hair Designs by Sandy LLC, et al. v. Central Payment Co., LLC*);
- Your full name, address, and phone number;
- The words “Request for Exclusion” at the top of the document or a statement in the body of the letter requesting exclusion from the Class; and
- Your signature.

You must mail your completed letter, postmarked no later than **June 7, 2022**, to:

Central Payment Settlement Administrator
P.O. Box 5747
Portland, OR 97228-5747

If you ask to be excluded, you will not get any benefits under this Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in the lawsuit. You may be able to sue (or continue to sue) CPAY in the future. You cannot both exclude yourself from the Settlement and object to the Settlement. If you seek to exclude yourself and object, you will be deemed to have excluded yourself.

13. If I don't opt out, can I sue CPAY for the same thing later?

No. Unless you exclude yourself from the Settlement, you give up any right to sue CPAY for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is **June 7, 2022**.

14. If I exclude myself, can I get money from this Settlement?

No. If you are a Current Customer and exclude yourself, you will not receive a payment. If you are a Former Customer and exclude yourself, do not send in a Claim Form asking for a payment.

THE LAWYERS AND MERCHANTS REPRESENTING YOU

15. Do I have a lawyer in the case?

Yes. The Court appointed to represent you and other members of the Class the following lawyers: Tyler Hudson, Eric Barton, and Melody Dickson of Wagstaff & Cartmell, LLC in Kansas City, Missouri; and E. Adam Webb and Matt Klase of Webb, Klase & Lemond, LLC in Atlanta, Georgia. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How will the lawyers be paid?

You will not be asked to pay any of the lawyers' fees or expenses. The lawyers representing the Class, who have not yet received any payment for their time or the expenses they have incurred, intend to ask the Court to pay them up to one-third of the Settlement Amount to compensate them for their time and the financial risk that they took when they agreed to represent the Plaintiffs on a contingent basis and agreed that they would get paid only if the lawsuit obtained a recovery. In addition, the lawyers intend to ask the Court to reimburse them for all of the reasonable expenses they have incurred while prosecuting the litigation. CPAY has agreed not to object to these requests provided the Court authorizes fees of no more than one-third of the Settlement Amount. The Court will determine the amount the lawyers will receive at the Final Approval Hearing on July 25, 2022. The lawyers' fees and expenses approved by the Court will be paid from the Settlement Fund.

Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com

17. Will the Class Representatives get anything?

The Class is represented by the two merchants who brought the case, Custom Hair Designs by Sandy, LLC and Skip's Precision Welding, LLC. In addition to the benefits the Class Representatives will receive as members of the Class, Class Counsel intend to ask the Court to pay Service Awards of up to \$15,000 to each of these merchants to compensate them for the effort and risk they took on behalf of the Class. CPAY has agreed not to oppose the request. The Service Awards approved by the Court will be paid from the Settlement Fund. The Court will determine the amount of the Service Awards at the Final Approval Hearing on July 25, 2022.

OBJECTING TO THE SETTLEMENT

18. How do I tell the Court I don't like the Settlement?

If you are a Class Member, you can object to the Settlement if you do not think it is fair, reasonable, or adequate. You can give reasons why you think the Court should not approve it. The Court will consider your views. If you object to the Settlement and seek to exclude yourself, you will be deemed to have excluded yourself and your objection will not be considered.

To object, you must do so in writing and send the objection to the Court, Class Counsel, and the lawyers for CPAY at the addresses set forth below. Your objection must include:

- The name of this case (*Custom Hair Designs by Sandy, LLC et al. v. Central Payment Co., LLC*);
- Your full name, address, and phone number;
- A written statement of your objections, as well as the specific reason for each objection, and any legal or factual support you wish to bring to the Court's attention;
- Any evidence or other information you wish to introduce in support of your objections;
- A statement of whether you or your counsel intends to appear and argue at the Final Approval Hearing;
- Evidence or other information showing that you are a member of the Class;
- Four dates before the Final Approval Hearing when you will be available to be deposed by the lawyers for the parties; and,
- **All other information specified in the Court's Preliminary approval order** (available on the Settlement Website, CentralPaymentClassAction.com)

If you hire a lawyer to represent you in preparing a written objection or to appear at the Final Approval Hearing, your lawyer must provide additional information as specified in the Preliminary Approval Order.

File your objection electronically with the Court or mail the objection to the following places, postmarked no later than **June 7, 2022**:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Denise Lucks Clerk of the Court USDC, District of Nebraska 111 South 18th Plaza Suite 1152 Omaha, NE 68102	Tyler Hudson, Esq. Eric Barton, Esq. Melody Dickson, Esq. WAGSTAFF & CARTMELL, LLP 4740 Grand Avenue, Suite 300 Kansas City, MO 64112 E. Adam Webb, Esq. Matthew C. Klase, Esq. WEBB, KLASE & LEMOND, LLC 1900 The Exchange, S.E., Suite 480 Atlanta, GA 30339	Jonathan R. Chally, Esq. COUNCILL, GUNNEMANN & CHALLY LLC 1201 Peachtree Street N.E. Building 400, Suite 100 Atlanta, GA 30361-3507 David L. Balser, Esq. Brandon R. Keel, Esq. KING & SPALDING LLP 1180 Peachtree Street NE Atlanta, GA 30309-3521

Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com

19. What is the difference between objecting and excluding/opting out?

Objecting is simply telling the Court that you don't like something about the Settlement. You can object to the benefits provided by the Settlement or other terms of the Settlement only if you stay in the Class. Excluding yourself or "opting out" is telling the Court that you don't want to be included in the Settlement. If you exclude yourself, you have no basis to object to the Settlement because the Settlement no longer affects you.

THE COURT'S FAIRNESS HEARING

20. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing on July 25, 2022, at 1:30 p.m. in Courtroom 3 before the Honorable Senior Judge Joseph F. Bataillon, United States District Court for the District of Nebraska, 111 S. 18th Plaza, Omaha, Nebraska 68102. This hearing date and time may be moved. Please refer to the Settlement Website, CentralPaymentClassAction.com, for notice of any changes.

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate; how much Class Counsel will receive for fees and expenses; whether to approve Service Awards to the Class Representatives; and any other appropriate matters. If there are objections, the Court also will consider them. The Court will listen to people at the hearing who file in advance a timely notice of their intention to appear (*see* Question 18). At or after the Final Approval Hearing, the Court will decide whether to approve the Settlement. There is no deadline by which the Court must make its decision.

21. Do I have to attend the hearing?

No. Class Counsel will answer questions the Court may have. You are welcome, however, to come at your own expense. If you submit a written objection, you do not have to come to the Court to talk about it. As 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. If you or your own lawyer want to speak at the hearing, you must file a notice of intention to appear and provide the other information required by the Preliminary Approval Order.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you are a Class Member and do nothing, you will remain a part of the Class and will not be able to sue CPAY about the claims being resolved through the Settlement. If you are a Current Customer, you will automatically receive the cash payment to which you are entitled. If you are a Former Customer, you will receive nothing unless you file a claim.

GETTING MORE INFORMATION

23. How do I get more information?

This Notice summarizes the Settlement. More details are in the Settlement Agreement itself. You can get a copy of the Settlement Agreement at CentralPaymentClassAction.com, from the Settlement Administrator by calling toll-free 1-855-654-0931 or by writing to Central Payment Class Action Lawsuit, P.O. Box 5747, Portland, OR 97228-5747. The status of the Settlement will be posted on the Settlement Website.

Please do not contact the Court with questions about the Settlement.

Questions? Call 1-855-654-0931 toll-free or visit CentralPaymentClassAction.com