July 1, 2009

Professor Francis E. McGovern
401 West Alabama
Houston, TX 77006

In re: Currency Conversion Fee Antitrust Litigation
Status Report of Audit Process and Results

Dear Professor McGovern:

This report is to provide you with an updated status of the audit process performed to date.

Audit letters, requesting supporting documentation and information, were sent out to various claimants. We requested the claimants to submit their responses within 20 days of the date on the audit letter they received. The claimants that were selected for audit are described below:

- **Option 2** – 1) All claims received with 3,400 days or more; and 2) a random number of claims with between 3,000 and 3,399 days.

- **Option 3** – 1) All claims received with transaction amounts of $400,000 or greater; and 2) various claims under $400,000 that contained questionable or inconsistent information.

- **Agency/Company** – 1) All claims received with transaction amounts of $100,000 or greater; and 2) all claims submitted by a third-party filer.

We continue to process audit responses as we receive them. As of May 5, 2009, we have received 3,530 Option 2 audit responses and 1,542 Option 3 audit responses. Of these, we have made final determinations for 100% of the Option 2 audits and 96% of the Option 3 audits. The remaining audits have been issued preliminary determinations and we are working with these claimants in an effort to resolve any open issues. We have also received 216 Agency/Company audit responses of which 85% have been issued final determinations. These remaining audits also have been issued preliminary determinations and we are working with these Agency/Company claimants in an effort to resolve any open issues.

The following reflects the summary status of the audit letters through May 4, 2009:

<table>
<thead>
<tr>
<th></th>
<th>Option 2</th>
<th>Option 3</th>
<th>Ag/Co</th>
</tr>
</thead>
<tbody>
<tr>
<td>Letters Mailed</td>
<td>7,642</td>
<td>2,040</td>
<td>232</td>
</tr>
<tr>
<td>Responses Received</td>
<td>3,530</td>
<td>1,542</td>
<td>216</td>
</tr>
<tr>
<td>Completed</td>
<td>3,530</td>
<td>1,487</td>
<td>184</td>
</tr>
<tr>
<td>Audits with Ongoing Correspondence w/Claimants</td>
<td>0</td>
<td>55</td>
<td>32</td>
</tr>
</tbody>
</table>

1 Any reference to Option 3 claims will include the Original claims received.
2 The Option 2 count includes 33 audits where the documentation was submitted along with the claim form thus a request letter was not mailed.
We have sent final rejection letters, pursuant to the Revised Plan of Administration and Distribution paragraph 5(h)(i), to claimants who have not responded to the audit request letter. Consistent with paragraph 5(h)(i), this letter provided 45 days for the claimant to contest the pending rejection of their claim. Some claimants have submitted packages in response to a rejection letter and we are processing those responses. If any claimant submits documentation as a result of the rejection letter, we will process the response. The number of claims that we are currently recommending to be rejected for lack of response are: 4,112 Option 2 claims; 498 Option 3 claims; and 16 Agency/Company claims.

The results of the audits to date on the total number of days/foreign transaction amounts are summarized as follows:

- **Option 2** – 3,530 audits have been completed with 8,080,096 days of the 13,607,237 claimed days being allowed for an allowable percentage of approximately 59.38%. The allowable percentage reported on my declaration dated December 4, 2008\(^3\) for audits completed through November 14, 2008 was 79.83%. The decrease in the percentage is due to the inclusion of those claims where a response was received but the documentation was not sufficient and the claimant has not responded to our request for further information. These claimants will be sent final results letters reflecting zero days being allowed.

- **Option 3** – 1,487 audits have been completed with $689,049,732 of the $1,133,285,604\(^4\) claimed transaction amounts being allowed for an allowable percentage of approximately 60.8%. The allowable percentage reported on my declaration dated December 4, 2008 for audits completed through November 14, 2008 was 69.73%. The decrease in the percentage is due to the inclusion of those claims where a response was received but the documentation was not sufficient and the claimant has not responded to our request for further information. These claimants will be sent final results letters reflecting zero dollars being allowed.

- **Ag/Co** - 184 audits have been completed with $1,932,867,785 of the $2,148,558,824 claimed transaction amounts being allowed for an allowable percentage of approximately 96.64%. The allowable percentage reported on my declaration dated December 4, 2008 for audits completed through November 14, 2008 was 96.64%.

The above percentages do not include the effect of the claims to be rejected for lack of response to the audit request. It also does not include any effect of the open claims with ongoing audit procedures being performed.

As compared to the information presented in the December 4, 2008 status report, the total number of travel days and transaction amounts have not materially changed based on these

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\(^3\) The status report of Edward J. Radetich, Jr. was attached as Exhibit B to the Plaintiffs’ Notice of Filing of Status Report Concerning the Auditing of Claims and the Settlement Administration Process dated and filed with the Court on December 8, 2008.

\(^4\) This amount is net of four claims that were completely disallowed for $339,924,483. These claims were excluded because they each exceeded $10 million and do not qualify as a representative sample to determine an allowable percentage for the majority of the claims audited for this report.
updated audit results. The current estimated ‘reduced distribution amounts’ and corresponding per-claimant average refunds, based on a $25 minimum refund and as more fully described in paragraph 20 of the December status report are:

| Total Amount | Average Refund
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 2 reduced distribution amount&lt;sup&gt;6&lt;/sup&gt;</td>
<td>$92,569,000</td>
</tr>
<tr>
<td>Option 3 reduced distribution amount</td>
<td>$84,446,000</td>
</tr>
<tr>
<td>Agency/Company reduced distribution amount</td>
<td>$28,332,000</td>
</tr>
</tbody>
</table>

Approximately 1.95 million<sup>6</sup> of the Option 2 claimants or 74.3 percent of these claimants are expected to receive the minimum refund payment. These results support our recommendation not to conduct additional audits as explained in my status report dated December 4, 2008.<sup>7</sup>

Finally, using the assumptions outlined in my December 4, 2008 status report, at paragraphs 15 to 20, and using the updated audit results outlined in this report, the estimated distribution amount to Option 1 claimants, of between $15 and $17<sup>8</sup>, has not changed.

Due to the magnitude of the Option 1 and Option 2 claims filed this range will not materially change by performing additional audits. As a way of illustration, using our assumption of fees and costs, if the next tier of Option 3 audits were performed (transactions over $300,000 that were not previously audited) this would result in approximately 1,400 additional audits. The cost to perform these audits would approximate $175,000 and assuming the same percentage reductions as the prior completed audits (approx. 34%) the net result would be that the net recovery to Option 1 claimants would only increase approximately $.06 per claimant. We anticipate that increasing the number of audits would also require an additional 6 months of administration time.

Additional information was also requested by the Court regarding the Travel/Booking companies that were recommended for rejection. Three main companies have been identified with two of them filing a timely claim and one filing a late claim. They are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
<th>Claim Nbr</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priceline</td>
<td>Timely</td>
<td>10440505</td>
<td>$133,572,485</td>
</tr>
<tr>
<td>Travelocity</td>
<td>Timely</td>
<td>10440635</td>
<td>$190,719,653</td>
</tr>
<tr>
<td>Orbitz</td>
<td>Late</td>
<td>10440834</td>
<td>$149,469,324</td>
</tr>
</tbody>
</table>

Based on the projected time frame needed to complete the audits, resolve all deficiencies and complete the de-duping process we anticipate being able to finalize the database of claims by late fall. If the Court is able to approve the final report within a reasonably short period we could be in a position to have a distribution by the end of the year. This could change based upon the filing of any appeals or other actions against the settlement.

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5 The average refund amount was determined by dividing the estimated ‘reduced distribution amount’ by the number of claims that will receive some pro rata distribution amount.

6 The Option 2 estimates were provided by ARPC, who based them on the December 2008 ARPC Declaration after the pro rata deductions described in paragraph 22 of that Declaration.

7 Paragraph 11 of the status report of Edward J. Radetich, Jr. explains that the net tier of Option 2 claims and Option 3 claims would encompass approximately 7,000 additional audits. It was stated that these audits would not be justified under a cost/benefit analysis based on the trends noted in the audits conducted to date [through November 14, 2008].

8 This range was originally reported in the status report of Edward J. Radetich, Jr. at paragraph 20.
Please do not hesitate to contact me should you have any questions regarding this status update.

Sincerely,

Edward J. Radetich, Jr.
Heffler, Radetich & Saitta, LLP

cc. Berger & Montague, P.C.
Coughlin, Stoia, Geller, Rudman & Robbins LLP