

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

**THE HOME DEPOT, INC., and HOME
DEPOT U.S.A, INC.,**

Plaintiffs,

-against-

**VISA INC., VISA U.S.A. INC., and VISA
INTERNATIONAL SERVICE
ASSOCIATION,**

Defendants.

Case No. 1:16-cv-01947-MHC

**ANSWER OF DEFENDANTS VISA INC., VISA U.S.A. INC., AND VISA
INTERNATIONAL SERVICE ASSOCIATION TO PLAINTIFFS’
COMPLAINT**

Defendants Visa Inc., Visa U.S.A. Inc. (“Visa U.S.A.”), and Visa International Service Association (“Visa International”) (collectively, “Visa”), by their attorneys, hereby respond to the Complaint (“Complaint”) filed by Plaintiffs The Home Depot, Inc. and Home Depot U.S.A., Inc. (collectively, “The Home Depot”).

To the extent that the Preamble of the Complaint, the headings, or the prayers for relief require a response, Visa denies the allegations therein. Visa is

without knowledge or information sufficient to form a belief as to the truth of the allegations in the Complaint relating to MasterCard and on that basis denies each and every one of them unless specifically admitted below. With respect to the allegations in the numbered paragraphs of the Complaint, Visa responds as follows:

1. Visa denies the allegations in paragraph 1 of the Complaint.
2. Visa denies the allegations in paragraph 2 of the Complaint.
3. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the first and last sentences of paragraph 3 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 3 of the Complaint.
4. Visa admits that EMV chips are used in Europe and create a unique transaction code, but denies that the remaining allegations in the first and second sentences of paragraph 4 of the Complaint completely or accurately describe EMV chips and on that basis denies them. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the last sentence of paragraph 4 of the Complaint and on that basis denies them.
5. Visa admits that counterfeit cards are one aspect of payment card fraud. Visa is without knowledge or information sufficient to form a belief as to

the truth of the allegations in the second sentence of paragraph 5 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 5 of the Complaint.

6. To the extent the Complaint cites to portions of a 2013 joint submission to the Australian Competition and Consumer Commission, Visa refers to that document for its content and context. Visa denies the remaining allegations in paragraph 6 of the Complaint.

7. Visa denies the allegations in paragraph 7 of the Complaint.

8. Visa denies the allegations in paragraph 8 of the Complaint.

9. Visa denies the allegations in paragraph 9 of the Complaint.

10. Visa denies the allegations in paragraph 10 of the Complaint.

11. Visa denies the allegations in paragraph 11 of the Complaint.

12. Visa admits that PIN technology can be used in the context of ATM, debit, and cash-back services, but denies the remaining allegations in paragraph 12 of the Complaint.

13. To the extent the Complaint cites to Visa's operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. Visa denies the remaining allegations in paragraph 13 of the Complaint.

14. Visa denies the allegations in paragraph 14 of the Complaint.

15. Visa admits that debit cards can have more than one network enabled on a card. Visa is without knowledge and information sufficient to form a belief as to the truth of the allegations in the third sentence of paragraph 15 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 15 of the Complaint.

16. To the extent the Complaint cites to the Durbin Amendment, Visa refers to that law for its content and context. Visa denies the remaining allegations in paragraph 16 of the Complaint.

17. Visa admits that it announced a Delayed De-Conversion Assessment, effective in April 2016, but never implemented it, and otherwise denies that the allegations in the second sentence of paragraph 4 of the Complaint completely or accurately describe that assessment and on that basis denies them. Visa denies the remaining allegations in paragraph 17 of the Complaint.

18. To the extent the Complaint cites to a letter by Senator Richard Durbin, Visa refers to that document for its content and context. Visa denies the remaining allegations in paragraph 18 of the Complaint.

19. Visa admits that it implemented a FANF and that the FANF is assessed on acquiring banks based on various factors, including the number of

locations for each acquired merchant, transaction volume of each acquired merchant, type of each acquired merchant, and type of cards accepted by each acquired merchant. Visa denies the remaining allegations in paragraph 19 of the Complaint.

20. Visa denies the allegations in paragraph 20 of the Complaint.

21. Visa denies the allegations in the first sentence in paragraph 21 of the Complaint. To the extent the Complaint cites to an article in the *Wall Street Journal*, Visa refers to that document for its content and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 21 of the Complaint and on that basis denies them.

22. To the extent the Complaint cites to an article in the *Washington Post*, Visa refers to that document for its content and context. Visa denies the remaining allegations in paragraph 22 of the Complaint.

23. Visa denies the allegations in paragraph 23 of the Complaint.

24. Visa denies the allegations in paragraph 24 of the Complaint.

25. To the extent the Complaint cites to Visa's operating rules and regulations, Visa refers to those operating rules and regulations for their content

and context. Visa denies the remaining allegations in paragraph 25 of the Complaint.

26. Visa denies the allegations in paragraph 26 of the Complaint.

27. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the second sentence of paragraph 27 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 27 of the Complaint.

28. Visa denies the allegations in paragraph 28 of the Complaint.

29. Visa admits that Plaintiffs purport to assert claims under federal antitrust and state laws. Visa denies the remaining allegations in paragraph 29 of the Complaint.

30. Visa admits that the Complaint purports to be filed under the statutes cited in paragraph 30 of the Complaint. Visa admits that if any claim is stated pursuant to the cited statutes, then this Court has jurisdiction over such a claim asserted by a plaintiff with standing to assert it. Visa denies the remaining allegations in paragraph 30 of Complaint.

31. Visa admits that Plaintiffs purport to assert claims for relief under state law and that these claims are part of the same case or controversy as

Plaintiffs' claims under federal law. Visa denies the remaining allegations in paragraph 31 of Complaint.

32. Visa admits that this Court has personal jurisdiction over it and that it transacts business in this District. Visa denies the remaining allegations in paragraph 32 of the Complaint.

33. Visa admits that venue would be proper in this District, but states that it has moved for the Judicial Panel on Multidistrict Litigation to transfer this action to the United States District Court for the Eastern District of New York. Visa denies the remaining allegations in paragraph 33 of the Complaint.

34. The allegations in paragraph 34 and its subparts do not require a response because they merely purport to define terms. Visa denies that the definitions, terminology, or descriptions set forth in paragraph 34 of the Complaint are accurate or complete. To the extent a further response is required, Visa denies the allegations in paragraph 34 of the Complaint.

35. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 35 of the Complaint and on that basis denies them.

36. Visa admits that before the Visa corporate restructuring, Visa International was organized as a non-stock, membership corporation under the

laws of the state of Delaware and that it had its principal place of business in Foster City, California. Visa admits that Visa International's members included individual financial institutions, "Group Members," and "Regional Group Members," and that it had nearly 21,000 financial institution members. Visa denies the remaining allegations in paragraph 36 of Complaint.

37. Visa admits that before the Visa corporate restructuring, Visa U.S.A. was a non-stock Delaware corporation with its principal place of business in San Francisco, California. Visa admits that Visa U.S.A. was an association with thousands of member financial institutions across the United States and certain of its territories. Visa admits that Visa U.S.A. was a separately incorporated regional group member of Visa International with its own board of directors.

38. Visa admits that before the Visa corporate restructuring, Visa International was governed by a board of directors, that Visa International established regional boards of directors to govern aspects of certain of its geographical divisions, and that certain of its other geographical regions were administered by separately incorporated group members of Visa International, which were governed by their own boards of directors. Visa admits that the boards of directors for Visa International and Visa U.S.A. included directors who separately served as employees of their member banks.

39. Visa admits that through a number of corporate restructuring steps in 2007 and 2008, Visa U.S.A. and Visa International became subsidiaries of Visa Inc. Visa admits that Visa Inc. commenced an initial public offering on March 19, 2008 through which it offered its voting class A common stock to the general public. Visa admits that after the initial public offering, financial institutions that were formerly members of Visa U.S.A. received non-voting class B common stock in Visa Inc., and financial institutions that were formerly associated with other geographic regions of Visa International received non-voting class C common stock in Visa Inc. Visa admits that Visa Inc. is a publicly traded Delaware corporation and that its principal place of business is Foster City, California. Visa admits that through a number of corporate restructuring steps in 2007 and 2008, Visa U.S.A. and Visa International became subsidiaries of Visa Inc. The last sentence in paragraph 39 does not require a response because it merely purports to define a term.

40. Visa admits that, among other things, it operates a payment card network and has done so at least since January 1, 2004. Visa denies the remaining allegations in paragraph 40 of the Complaint.

41. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 41 of the Complaint and on that basis denies them.

42. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 42 of the Complaint and on that basis denies them.

43. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 43 of the Complaint and on that basis denies them.

44. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 44 of the Complaint and on that basis denies them.

45. Visa denies the allegations in paragraph 45 of the Complaint.

46. Visa admits, on information and belief, that some of its client banks compete vigorously for cardholders. Visa denies the remaining allegations in paragraph 46 of the Complaint.

47. Visa admits, on information and belief, that some of its client banks compete vigorously for cardholders. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001),

Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 47 of the Complaint.

48. Visa denies the allegations in paragraph 48 of the Complaint.

49. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. Visa admits that its operating rules and regulations govern its clients' use of the Visa payment card network, including application of default interchange reimbursement fees where issuing and acquiring banks have not set their own financial terms for the interchange of Visa transactions. Visa denies the remaining allegations in paragraph 49 of the Complaint.

50. Visa denies the allegations in paragraph 50 of the Complaint.

51. Visa denies the allegations in paragraph 51 of the Complaint.

52. Visa denies the allegations in paragraph 52 of the Complaint.

53. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their contents and context. Visa denies the remaining allegations in paragraph 53 of the Complaint.

54. Visa admits, on information and belief, that some of its client banks compete for cardholders. Visa denies the remaining allegations in paragraph 54 of the Complaint.

55. Visa denies the allegations in paragraph 55 of the Complaint.

56. Visa denies the allegations in paragraph 56 of the Complaint.

57. Visa denies the allegations in paragraph 57 of the Complaint.

58. Visa denies the allegations in paragraph 58 of the Complaint.

59. Visa denies the allegations in paragraph 59 of the Complaint.

60. Visa denies the allegations in paragraph 60 of the Complaint.

61. Visa denies the allegations in paragraph 61 of the Complaint.

62. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A., Inc.*, 344 F.3d 229 (2d Cir. 2003), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 62 of the Complaint.

63. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. Visa denies the remaining allegations in paragraph 63 of the Complaint.

64. Visa denies the allegations in paragraph 64 of the Complaint.

65. Visa denies the allegations in paragraph 65 of the Complaint.

66. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 66 of the Complaint and on that basis denies them.

67. Visa admits that its operating rules and regulations are necessary, among other things, to assure universal acceptance of Visa-branded payment cards. Visa admits that certain of its client banks offer a variety of Visa-branded products with a diverse array of features. Visa denies the remaining allegations in paragraph 67 of the Complaint.

68. Visa admits that its operating rules and regulations are necessary, among other things, to assure universal acceptance of Visa-branded payment cards. Visa admits that certain of its client banks offer a variety of Visa-branded products with a diverse array of features and that it enters into incentive and other agreements with these banks, including Chase. Visa denies the remaining allegations in paragraph 68 of the Complaint.

69. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. Visa admits that its operating rules and regulations govern its clients' use of the Visa payment card network, including application of default interchange

reimbursement fees where issuing and acquiring banks have not set their own financial terms for the interchange of Visa transactions. Visa denies the remaining allegations in paragraph 69 of the Complaint.

70. Visa denies the allegations in paragraph 70 of the Complaint.

71. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. Visa admits that its operating rules and regulations govern its clients' use of the Visa payment card network, including application of default interchange reimbursement fees where issuing and acquiring banks have not set their own financial terms for the interchange of Visa transactions. Visa denies the remaining allegations in paragraph 71 of the Complaint.

72. Visa admits that its operating rules and regulations govern the application of default interchange reimbursement fees where issuing and acquiring banks have not set their own financial terms for the interchange of Visa transactions and that the amount of the fee for any particular transaction is determined by a number of factors. Visa denies the remaining allegations in paragraph 72 of the Complaint.

73. Visa denies the allegations in paragraph 73 of the Complaint.

74. Visa denies the allegations in paragraph 74 of the Complaint.

75. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 75 of the Complaint.

76. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 344 F.3d at 239, Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 76 of the Complaint.

77. To the extent the Complaint cites to the Competitive Impact Statement relating to the Proposed Final Judgment as to Visa and MasterCard in *United States v. American Express Company*, No. 10-cv-4496-NGG-RER, Dkt. #5 (E.D.N.Y. Oct. 4, 2010), Visa refers to that document for its contents and context. Visa denies the remaining allegations in paragraph 77 of the Complaint.

78. To the extent the Complaint cites to the Competitive Impact Statement relating to the Proposed Final Judgment as to Visa and MasterCard in *United States v. American Express Company*, No. 10-cv-4496-NGG-RER, Dkt. #5 (E.D.N.Y. Oct. 4, 2010), Visa refers to that document for its contents and context. Visa denies the remaining allegations in paragraph 78 of the Complaint.

79. Visa denies the allegations in paragraph 79 of the Complaint.

80. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the second sentence of paragraph 80 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 80 of the Complaint.

81. Visa denies the allegations in paragraph 81 of the Complaint.

82. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 82 of the Complaint.

83. Visa denies the allegations in paragraph 83 of the Complaint.

84. Visa denies the allegations in paragraph 84 of the Complaint.

85. To the extent the Complaint cites to the Durbin Amendment, Visa refers to that law for its contents and context. Visa denies the remaining allegations in paragraph 85 of the Complaint.

86. To the extent the Complaint cites to the Durbin Amendment or the Congressional record, Visa refers to the Durbin Amendment and the Congressional record for their contents and context. Visa denies the remaining allegations in paragraph 86 of the Complaint.

87. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 87 of the Complaint and on that basis denies them.

88. Visa denies the allegations as to Visa in paragraph 88 of the Complaint. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 88 of the Complaint and on that basis denies them.

89. Visa admits that it and MasterCard compete. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 89 of the Complaint and on that basis denies them.

90. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 90 of the Complaint.

91. Visa admits that its operating rules and regulations govern the application of default interchange reimbursement fees where issuing and acquiring banks have not set their own financial terms for the interchange of Visa transactions and that the amount of the fee for any particular transaction is

determined by a number of factors. Visa denies the remaining allegations in paragraph 91 of the Complaint.

92. To the extent the Complaint cites the Federal Reserve's final rule and findings concerning debit cards, Visa refers to Debit Card Interchange Fees and Routing, 12 C.F.R. § 235 (2011) for its contents and context. Visa denies the remaining allegations in paragraph 92 of the Complaint.

93. To the extent the Complaint cites to the European Commission Decision, COMP/34.579 (Dec. 19, 2007), Visa refers to that decision for its content and context. Visa denies the remaining allegations in paragraph 93 of the Complaint.

94. Visa denies the allegations in paragraph 94 of the Complaint.

95. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their contents and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 95 of the Complaint relating to MasterCard and on that basis denies them. Visa denies the remaining allegations in paragraph 95 of the Complaint.

96. Visa denies the allegations in paragraph 96 of the Complaint.

97. Visa denies the allegations in paragraph 97 of the Complaint.

98. Visa denies the allegations in paragraph 98 of the Complaint.

99. Visa denies the allegations in paragraph 99 of the Complaint.

100. Visa denies the allegations in paragraph 100 of the Complaint.

101. Visa denies the allegations in paragraph 101 of the Complaint.

102. To the extent the Complaint cites to Counterfeit Fraud Migration, European Payments Council (June 29-30, 2010), Visa refers to that document for its contents and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 102 of the Complaint and on that basis denies them.

103. Visa denies the allegations in paragraph 103 of the Complaint.

104. Visa admits that EMV chips have been used in Europe and that an EMV card creates a unique transaction code, but otherwise denies that the allegations in paragraph 104 of the Complaint completely or accurately describe EMV chips. Visa denies the remaining allegations in paragraph 104 of the Complaint.

105. To the extent the Complaint cites to portions of a document published by Chase Paymentech, Visa refers to that document for its content and context. Visa is without knowledge or information sufficient to form a belief as to the truth

of the remaining allegations in paragraph 105 of the Complaint and on that basis denies them.

106. To the extent the Complaint cites to portions of materials published by EMVCo, Visa refers to those materials for their content and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 106 of the Complaint and on that basis denies them.

107. Visa admits that a liability shift became effective on October 1, 2015 in the U.S. such that the party that has not enabled EMV chip—either the issuer or the merchant (through an acquirer)—would be liable for counterfeit fraud. To the extent the Complaint cites to a Visa press release, Visa refers to that press release for its content and context. Visa denies the remaining allegations in paragraph 107 of the Complaint.

108. Visa admits that in certain circumstances a consumer using a payment card may authenticate the cardholder's identity by entering a PIN or providing a signature. Visa denies the remaining allegations in paragraph 108 of the Complaint.

109. Visa admits that chip cards are used in multiple countries. Visa denies the allegations in the third sentence of paragraph 109. Visa is without

knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 109 of the Complaint and on that basis denies them.

110. Visa is without knowledge or information sufficient to form a belief as to the truth of allegations in the second, third, and fourth sentences of paragraph 110 of the Complaint and on that basis denies them. To the extent the Complaint purports to quote from Visa's Card Acceptance Guidelines, Visa refers to that document for its content and context. Visa denies the remaining allegations in paragraph 110 of the Complaint.

111. To the extent the Complaint cites to data reported by the Federal Reserve Board, Visa refers to that reported data for its content and context. Visa admits that the method of cardholder verification for a transaction may affect the network over which that transaction is routed. Visa denies the remaining allegations in paragraph 111 of the Complaint.

112. Visa denies the allegations in paragraph 112 of the Complaint.

113. Visa denies the allegations in paragraph 113 of the Complaint.

114. Visa admits that Walmart's chip-and-PIN protocol was a material breach of Walmart's agreement with Visa. Visa denies the remaining allegations in paragraph 114 of the Complaint.

115. Visa denies the allegations in paragraph 115 of the Complaint.

116. Visa denies the allegations in paragraph 116 of the Complaint.

117. Visa denies the allegations in paragraph 117 of the Complaint.

118. Visa denies the allegations in paragraph 118 of the Complaint.

119. Visa denies the allegations in paragraph 119 of the Complaint.

120. Visa admits that thousands of members of Visa U.S.A. participated in the process through which the Visa corporate restructuring was approved. Visa admits that Visa Inc. offered its voting class A common stock to the public in connection with its IPO. Visa denies the remaining allegations in paragraph 120 of the Complaint.

121. Visa denies the allegations in paragraph 121 of the Complaint.

122. Visa denies the allegations in paragraph 122 of the Complaint.

123. Visa denies the allegations in paragraph 123 of the Complaint.

124. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 124 of the Complaint and on that basis denies them.

125. Visa admits that Visa Inc. commenced an initial public offering on or around March 19, 2008 through which it offered its voting class A common stock to the general public. Visa admits that after the initial public offering, financial

institutions that were formerly members of Visa U.S.A. received non-voting class B common stock in Visa Inc., and financial institutions that were formerly associated with other geographic regions of Visa International received non-voting class C common stock in Visa Inc.

126. Visa denies the allegations in paragraph 126 of the Complaint.

127. Visa denies the allegations in paragraph 127 of the Complaint.

128. To the extent the Complaint cites to portions of the article “The Economics of the Payment Card Industry,” by David S. Evans and Richard L. Schmalensee, Visa refers to that article for its content and context. Visa denies the remaining allegations in paragraph 128 of the Complaint.

129. Visa denies the allegations in paragraph 129 of the Complaint.

130. Visa denies the allegations in paragraph 130 of the Complaint.

131. To the extent the Complaint cites to the European Commission Decision, COMP/34.579 (Dec. 19, 2007), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 131 of the Complaint.

132. To the extent the Complaint cites to the European Commission Decision, COMP/34.579 (Dec. 19, 2007), Visa refers to that decision for its

contents and context. Visa denies the remaining allegations in paragraph 132 of the Complaint.

133. To the extent the Complaint cites to the European Commission Decision, COMP/34.579 (Dec. 19, 2007), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 133 of the Complaint.

134. To the extent the Complaint cites to the European General Court decision in *MasterCard, Inc. and Others v. European Commission*, Case T-111/08 (May 24, 2012), the European Court of Justice decision in *MasterCard, Inc. and Others v. European Commission*, Case C-382/12 P, (Sept. 11, 2014), and the European Commission's additional Statement of Objections, Visa refers to those documents for their contents and context. Visa denies the remaining allegations in paragraph 134 of the Complaint.

135. Visa denies the allegations in paragraph 135 of the Complaint.

136. To the extent the Complaint cites to Visa's operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. Visa denies the remaining allegations in paragraph 136 of the Complaint.

137. Visa admits that interchange has been used since the early days of Visa and, among other things, helps apportion costs between issuing and acquiring banks. Visa admits that interchange fees are necessary, among other reasons, to induce banks to issue Visa-branded payment cards. Visa denies the remaining allegations in paragraph 137 of the Complaint.

138. Visa denies the allegations in paragraph 138 of the Complaint.

139. Visa admits that debit cards provide economic benefits to multiple parties, including issuers, consumers, and merchants. Visa denies the remaining allegations in paragraph 139 of the Complaint.

140. Visa is without knowledge and information sufficient to form a belief as to the truth of allegations in paragraph 140 of the Complaint concerning banks' initial offering of PIN debit cards. Visa denies the remaining allegations in paragraph 140 of the Complaint.

141. Visa denies the allegations in paragraph 141 of the Complaint.

142. Visa denies the allegations in paragraph 142 of the Complaint.

143. To the extent the Complaint cites to various transcripts, Visa refers to those transcripts for their contents and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 143 of the Complaint and on that basis denies them.

144. Visa denies the allegations in paragraph 144 of the Complaint.

145. Visa denies the allegations in the first sentence of paragraph 145 of the Complaint. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 145 of the Complaint and on that basis denies them.

146. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the second and third sentences of paragraph 146 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 146 of the Complaint.

147. Visa admits that interchange has been used since the early days of Visa and, among other things, helps apportion costs between issuing and acquiring banks and that interchange fees are necessary, among other reasons, to induce banks to issue Visa-branded payment cards. Visa denies the remaining allegations in paragraph 147 of the Complaint.

148. Visa admits that the Reserve Bank of Australia regulated Visa's and MasterCard's interchange fees on credit card transactions during the past decade and refers to the regulations promulgated by that bank for their content and context. Visa denies the remaining allegations in paragraph 148 of the Complaint.

149. To the extent the Complaint cites to the European General Court decision in *MasterCard, Inc. and Others v. European Commission*, Case T-111/08, at ¶ 259 (May 24, 2012), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 149 of the Complaint.

150. Visa admits that the European Commission opened a case regarding credit card interchange fees that was settled in 2002 and which expired in 2007. To the extent the Complaint cites to the settlement reached between the Commission and Visa in 2002, Visa refers to that settlement for its content and context. Visa admits that the European Commission opened a case in 2007 which is ongoing. Visa admits that in May 2013 Visa Europe proposed various commitments to the European Commission and refers to those commitments for their contents and context. Visa denies the remaining allegations in paragraph 150 of the Complaint.

151. Visa admits that in May 2013 Visa Europe proposed various commitments to the European Commission and refers to those commitments for their contents and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the second sentence of paragraph 151 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 151 of the Complaint.

152. To the extent the Complaint cites to findings from the Office of Fair Trade, Visa refers to those findings for their content and context. Visa denies the remaining allegations in paragraph 152 of the Complaint.

153. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 153 of the Complaint and on that basis denies them.

154. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 154 of the Complaint and on that basis denies them.

155. Visa denies the allegations in paragraph 155 of the Complaint.

156. Visa admits that default interchange fees are justified, among other reasons, because a system requiring thousands of issuing and acquiring banks in the Visa payments system individually to negotiate separate agreements regarding the rate at which each transaction is interchanged would be impractical and increase costs. Visa denies the remaining allegations in paragraph 156 of the Complaint.

157. Visa denies the allegations in paragraph 157 of the Complaint.

158. Visa denies the allegations in paragraph 158 of the Complaint.

159. Visa denies the allegations in paragraph 159 of the Complaint.

160. Visa admits that Visa entered into a settlement agreement with the United States Department of Justice, which was entered as a final judgment on July 20, 2011, and refers to that agreement for its contents and context. To the extent the Complaint cites to Visa's rules regarding discounting before or after the consent decree, Visa refers to Visa's operating rules and regulations during those time periods. Visa denies the remaining allegations in paragraph 160 of the Complaint.

161. To the extent the Complaint cites to Visa's rules regarding multiple networks, Visa refers to Visa's operating rules and regulations for their contents and context. Visa denies the remaining allegations in paragraph 161 of the Complaint.

162. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations concerning how most merchants pilot new products and on that basis denies them. Visa denies the remaining allegations in paragraph 162 of the Complaint.

163. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. Visa denies the remaining allegations in paragraph 163 of the Complaint.

164. Visa admits that it entered into a settlement agreement in *In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation*, No. 1:05-md-01720-JG-JO, (E.D.N.Y.) and that it made alterations to its rules in accordance with the terms of that settlement. To the extent the Complaint cites to the Visa operating rules and regulations, Visa refers to those operating rules and regulations for their content and context. To the extent the Complaint cites to the settlement agreement in *In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation*, Case No. 1:05-md-01720-JG-JO, (E.D.N.Y.), Visa refers to that agreement for its content and context. Visa denies the remaining allegations in paragraph 164 of the Complaint.

165. Visa denies the allegations in paragraph 165 of the Complaint.

166. Visa denies the allegations in paragraph 166 of the Complaint.

167. Visa denies the allegations in paragraph 167 of the Complaint.

168. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, No. 98-cv- 7076(BSJ), 2007 WL 1741885, at *2 (S.D.N.Y. June 15, 2007), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 168 of the Complaint.

169. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the first sentence of paragraph 169 of the

Complaint and on that basis denies them. Visa admits that it has offered incentives to certain of its client banks to become issuers of debit cards with Interlink as the exclusive debit network using PIN as the primary authentication method. To the extent the Complaint cites the Federal Reserve's final rule and findings concerning debit card routing, Visa refers to Debit Card Interchange Fees and Routing, 12 C.F.R. § 235 (2011), for its content and context. Visa denies the remaining allegations in paragraph 169 of the Complaint.

170. Visa denies the allegations in paragraph 170 of the Complaint.

171. Visa denies the allegations in paragraph 171 of the Complaint.

172. To the extent the Complaint cites the Federal Reserve's final rule and findings and the Durbin Amendment concerning changes to the operations of debit card networks, Visa refers to Debit Card Interchange Fees and Routing, 12 C.F.R. § 235 (2011), and the Durbin Amendment, respectively, for their content and context. Visa denies the remaining allegations in paragraph 172 of the Complaint.

173. Visa admits that it implemented a FANF and that the FANF is assessed on acquiring banks based on various factors, including the number of locations for each acquired merchant, transaction volume of each acquired merchant, type of each acquired merchant, and type of cards accepted by each

acquired merchant. Visa denies the remaining allegations in paragraph 173 of the Complaint.

174. Visa denies the allegations in paragraph 174 of the Complaint.

175. Visa denies the allegations in paragraph 175 of the Complaint.

176. Visa denies the allegations in paragraph 176 of the Complaint.

177. Visa denies the allegations in paragraph 177 of the Complaint.

178. To the extent the Complaint cites to the article “New Fee Structure; Near-Term Pain, Long-Run Gain” by Chris Brendler et al., Visa refers to that article for its contents and context. Visa denies the remaining allegations in paragraph 178 of the Complaint.

179. Visa denies the allegations in paragraph 179 of the Complaint.

180. Visa denies the allegations in paragraph 180 of the Complaint.

181. Visa admits that it announced a Delayed De-Conversion Assessment, effective in April 2016, but never implemented it, and otherwise denies that the allegations in the first sentence of paragraph 181 of the Complaint completely or accurately describe that assessment and on that basis denies them. Visa denies the remaining allegations in paragraph 181 of the Complaint.

182. To the extent the Complaint cites to portions of a June 2016 letter from Senator Dick Durbin to Visa, Visa refers to that letter for its content and context. Visa denies the remaining allegations in paragraph 182 of the Complaint.

183. Visa denies the allegations in paragraph 183 of the Complaint.

184. Visa denies the allegations in paragraph 184 of the Complaint.

185. Visa denies the allegations in paragraph 185 of the Complaint.

186. To the extent the Complaint cites *United States v. American Express Company*, No. 10-cv-4496-NGG-RER, Dkt. #5 (E.D.N.Y. Oct. 4, 2010), Visa refers to that document for its contents and context. Visa denies the remaining allegations in paragraph 186 of the Complaint.

187. Visa denies the allegations in paragraph 187 of the Complaint.

188. Visa denies the allegations in paragraph 188 of the Complaint.

189. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the second sentence of paragraph 189 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 189 of the Complaint.

190. Visa denies the allegations in paragraph 190 of the Complaint.

191. Visa denies the allegations in paragraph 191 of the Complaint.

192. Visa denies the allegations in paragraph 192 of the Complaint.

193. Visa admits, on information and belief, that some credit cards allow consumers to purchase goods and services by accessing a line of credit extended to them by the issuer of the card, that some credit cards allow cardholders to defer payment and revolve balances over time, and that some charge cards require consumers to pay off balances owed on the receipt of their statements. Visa denies that the allegations in paragraph 193 of the Complaint completely describe credit, charge, or payment cards and on that basis denies the remaining allegations in paragraph 193 of the Complaint.

194. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 194 of the Complaint and on that basis denies them.

195. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), Visa refers to that decision for its contents and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 195 of the Complaint and on that basis denies them.

196. Visa admits that payment cards provide consumers benefits such that they are competitive with other payment systems. Visa denies the remaining allegations in paragraph 196 of the Complaint.

197. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 197 of the Complaint.

198. Visa admits that it entered into a settlement agreement with class plaintiffs in *In re Visa Check/MasterMoney Antitrust Litigation* and refers to that settlement agreement for its content and context. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the fourth sentence of paragraph 198 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 198 of the Complaint.

199. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the first sentence of paragraph 199 of the Complaint and on that basis denies them. Visa denies the remaining allegations in paragraph 199 of the Complaint.

200. Visa denies the allegations in paragraph 200 of the Complaint.

201. Visa denies the allegations in paragraph 201 of the Complaint.

202. Visa admits that some payment cards permit consumers to purchase goods and services by debiting directly from their accounts, and that money is sometimes withdrawn from the cardholder's account and transferred to the

merchant within one to several days. Visa denies that the allegations in paragraph 202 of the Complaint completely or accurately describe debit, stored-value, payroll or flexible spending account cards. Visa denies the remaining allegations in paragraph 202 of the Complaint.

203. Visa admits that consumers see many payment forms as close substitutes, including signature and PIN debit cards. Visa denies the remaining allegations in paragraph 203 of the Complaint.

204. Visa admits that debit cards provide consumers benefits such that they are competitive with other payment systems. Visa denies the remaining allegations in paragraph 204 of the Complaint.

205. To the extent the Complaint cites to the decision in *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), Visa refers to that decision for its contents and context. Visa denies the remaining allegations in paragraph 205 of the Complaint.

206. Visa admits that debit cards provide consumers benefits such that they are competitive with other payment systems. Visa denies the remaining allegations in paragraph 206 of the Complaint.

207. To the extent the Complaint cites to the decision in *In re Visa Check/MasterMoney Antitrust Litigation*, No. 96-cv-5238(JG), 2003 WL 1712568

(E.D.N.Y. Apr. 1, 2003), Visa refers to that decision for its contents and context.

Visa denies the remaining allegations in paragraph 207 of the Complaint.

208. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in the first and fourth sentences of paragraph 208 of the Complaint and on that basis denies them.

209. Visa responds to the allegations in paragraph 209 of the Complaint as it did when those allegations were made separately.

210. Visa denies the allegations in paragraph 210 of the Complaint.

211. Visa denies the allegations in paragraph 211 of the Complaint.

212. Visa denies the allegations in paragraph 212 of the Complaint.

213. Visa denies the allegations in paragraph 213 of the Complaint.

214. Visa denies the allegations in paragraph 214 of the Complaint.

215. Visa denies the allegations in paragraph 215 of the Complaint.

216. Visa responds to the allegations in paragraph 216 of the Complaint as it did when those allegations were made separately.

217. Visa denies the allegations in paragraph 217 of the Complaint.

218. Visa denies the allegations in paragraph 218 of the Complaint.

219. Visa denies the allegations in paragraph 219 of the Complaint.

220. Visa denies the allegations in paragraph 220 of the Complaint.

221. Visa denies the allegations in paragraph 221 of the Complaint.

222. Visa denies the allegations in paragraph 222 of the Complaint.

223. Visa responds to the allegations in paragraph 223 of the Complaint as it did when those allegations were made separately.

224. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 224 of the Complaint and on that basis denies them.

225. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 225 of the Complaint and on that basis denies them.

226. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 226 of the Complaint and on that basis denies them.

227. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 227 of the Complaint and on that basis denies them.

228. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 228 of the Complaint and on that basis denies them.

229. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 229 of the Complaint and on that basis denies them.

230. Visa responds to the allegations in paragraph 230 of the Complaint as it did when those allegations were made separately.

231. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 231 of the Complaint and on that basis denies them.

232. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 232 of the Complaint and on that basis denies them.

233. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 233 of the Complaint and on that basis denies them.

234. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 234 of the Complaint and on that basis denies them.

235. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 235 of the Complaint and on that basis denies them.

236. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 236 of the Complaint and on that basis denies them.

237. Visa responds to the allegations in paragraph 237 of the Complaint as it did when those allegations were made separately.

238. Visa denies the allegations in paragraph 238 of the Complaint.

239. Visa denies the allegations in paragraph 239 of the Complaint.

240. Visa denies the allegations in paragraph 240 of the Complaint.

241. Visa denies the allegations in paragraph 241 of the Complaint.

242. Visa denies the allegations in paragraph 242 of the Complaint.

243. Visa responds to the allegations in paragraph 243 of the Complaint as it did when those allegations were made separately.

244. Visa denies the allegations in paragraph 244 of the Complaint.

245. Visa denies the allegations in paragraph 245 of the Complaint.

246. Visa denies the allegations in paragraph 246 of the Complaint.

247. Visa denies the allegations in paragraph 247 of the Complaint.

248. Visa denies the allegations in paragraph 248 of the Complaint.

249. Visa responds to the allegations in paragraph 249 of the Complaint as it did when those allegations were made separately.

250. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 250 of the Complaint and on that basis denies them.

251. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 251 of the Complaint and on that basis denies them.

252. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 252 of the Complaint and on that basis denies them.

253. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 253 of the Complaint and on that basis denies them.

254. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 254 of the Complaint and on that basis denies them.

255. Visa responds to the allegations in paragraph 255 of the Complaint as it did when those allegations were made separately.

256. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 256 of the Complaint and on that basis denies them.

257. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 257 of the Complaint and on that basis denies them.

258. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 258 of the Complaint and on that basis denies them.

259. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 259 of the Complaint and on that basis denies them.

260. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 260 of the Complaint and on that basis denies them.

261. Visa responds to the allegations in paragraph 261 of the Complaint as it did when those allegations were made separately.

262. Visa denies the allegations in paragraph 262 of the Complaint.

263. Visa denies the allegations in paragraph 263 of the Complaint.

264. Visa denies the allegations in paragraph 264 of the Complaint.

265. Visa denies the allegations in paragraph 265 of the Complaint.

266. Visa responds to the allegations in paragraph 266 of the Complaint as it did when those allegations were made separately.

267. Visa denies the allegations in paragraph 267 of the Complaint.

268. Visa denies the allegations in paragraph 268 of the Complaint.

269. Visa denies the allegations in paragraph 269 of the Complaint.

270. Visa denies the allegations in paragraph 270 of the Complaint.

271. Visa denies the allegations in paragraph 271 of the Complaint.

272. Visa responds to the allegations in paragraph 272 of the Complaint as it did when those allegations were made separately.

273. Visa denies the allegations in paragraph 273 of the Complaint.

274. Visa denies the allegations in paragraph 274 of the Complaint.

275. Visa denies the allegations in paragraph 275 of the Complaint.

276. Visa denies the allegations in paragraph 276 of the Complaint.

277. Visa responds to the allegations in paragraph 277 of the Complaint as it did when those allegations were made separately.

278. To the extent the Complaint refers to statutory and constitutional law of the State of Georgia, Visa refers to those laws for their content and context.

Visa denies the remaining allegations in paragraph 278 of the Complaint.

279. Visa denies the allegations in paragraph 279 of the Complaint.

280. Visa denies the allegations in paragraph 280 of the Complaint.

281. Visa denies the allegations in paragraph 281 of the Complaint.

282. Visa responds to the allegations in paragraph 282 of the Complaint as it did when those allegations were made separately.

283. To the extent the Complaint refers to statutory and constitutional law of the State of Georgia, Visa refers to those laws for their content and context.

Visa denies the remaining allegations in paragraph 283 of the Complaint.

284. Visa denies the allegations in paragraph 284 of the Complaint.

285. Visa denies the allegations in paragraph 285 of the Complaint.

286. Visa denies the allegations in paragraph 286 of the Complaint.

287. Visa responds to the allegations in paragraph 287 of the Complaint as it did when those allegations were made separately.

288. To the extent the Complaint refers to statutory and constitutional law of the State of Georgia, Visa refers to those laws for their content and context.

Visa denies the remaining allegations in paragraph 288 of the Complaint.

289. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 289 of the Complaint and on that basis denies them.

290. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 290 of the Complaint and on that basis denies them.

291. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 291 of the Complaint and on that basis denies them.

292. Visa responds to the allegations in paragraph 292 of the Complaint as it did when those allegations were made separately.

293. To the extent the Complaint refers to statutory and constitutional law of the State of Georgia, Visa refers to those laws for their content and context. Visa denies the remaining allegations in paragraph 293 of the Complaint.

294. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 294 of the Complaint and on that basis denies them.

295. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 295 of the Complaint and on that basis denies them.

296. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 296 of the Complaint and on that basis denies them.

297. Visa responds to the allegations in paragraph 297 of the Complaint as it did when those allegations were made separately.

298. Visa denies the allegations in paragraph 298 of the Complaint.

299. Visa denies the allegations in paragraph 299 of the Complaint.

300. Visa denies the allegations in paragraph 300 of the Complaint.

301. Visa denies the allegations in paragraph 301 of the Complaint.

302. Visa denies the allegations in paragraph 302 of the Complaint.

303. Visa denies the allegations in paragraph 303 of the Complaint.

304. Visa denies the allegations in paragraph 304 of the Complaint.

305. Visa denies the allegations in paragraph 305 of the Complaint.

306. Visa denies the allegations in paragraph 306 of the Complaint.

307. Visa denies the allegations in paragraph 307 of the Complaint.

308. Visa responds to the allegations in paragraph 308 of the Complaint as it did when those allegations were made separately.

309. Visa denies the allegations in paragraph 309 of the Complaint.

310. Visa denies the allegations in paragraph 310 of the Complaint.

311. Visa denies the allegations in paragraph 311 of the Complaint.

312. Visa denies the allegations in paragraph 312 of the Complaint.

313. Visa denies the allegations in paragraph 313 of the Complaint.

314. Visa denies the allegations in paragraph 314 of the Complaint.

315. Visa denies the allegations in paragraph 315 of the Complaint.

316. Visa denies the allegations in paragraph 316 of the Complaint.

317. Visa denies the allegations in paragraph 317 of the Complaint.

318. Visa denies the allegations in paragraph 318 of the Complaint.

319. Visa responds to the allegations in paragraph 319 of the Complaint as it did when those allegations were made separately.

320. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 320 of the Complaint and on that basis denies them.

321. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 321 of the Complaint and on that basis denies them.

322. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 322 of the Complaint and on that basis denies them.

323. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 323 of the Complaint and on that basis denies them.

324. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 324 of the Complaint and on that basis denies them.

325. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 325 of the Complaint and on that basis denies them.

326. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 326 of the Complaint and on that basis denies them.

327. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 327 of the Complaint and on that basis denies them.

328. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 328 of the Complaint and on that basis denies them.

329. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 329 of the Complaint and on that basis denies them.

330. Visa responds to the allegations in paragraph 330 of the Complaint as it did when those allegations were made separately.

331. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 331 of the Complaint and on that basis denies them.

332. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 332 of the Complaint and on that basis denies them.

333. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 333 of the Complaint and on that basis denies them.

334. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 334 of the Complaint and on that basis denies them.

335. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 335 of the Complaint and on that basis denies them.

336. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 336 of the Complaint and on that basis denies them.

337. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 337 of the Complaint and on that basis denies them.

338. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 338 of the Complaint and on that basis denies them.

339. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 339 of the Complaint and on that basis denies them.

340. Visa is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 340 of the Complaint and on that basis denies them.

341. Visa responds to the allegations in paragraph 341 of the Complaint as it did when those allegations were made separately.

342. Visa denies the allegations in paragraph 342 of the Complaint.

343. Visa denies the allegations in paragraph 343 of the Complaint.

344. Visa denies the allegations in paragraph 344 of the Complaint.

345. Visa denies the allegations in paragraph 345 of the Complaint.

346. Visa denies the allegations in paragraph 346 of the Complaint.

347. Visa denies the allegations in paragraph 347 of the Complaint.

348. Visa denies the allegations in paragraph 348 of the Complaint.

349. Visa denies the allegations in paragraph 349 of the Complaint.

350. Visa denies the allegations in paragraph 350 of the Complaint.

351. Visa denies the allegations in paragraph 351 of the Complaint.

352. Visa denies the allegations in paragraph 352 of the Complaint.

353. Visa denies the allegations in paragraph 353 of the Complaint.

354. Visa denies the allegations in paragraph 354 of the Complaint.

355. Visa denies the allegations in paragraph 355 of the Complaint.

356. Visa denies the allegations in paragraph 356 of the Complaint.

357. Visa denies the allegations in paragraph 357 of the Complaint.

358. Visa denies the allegations in paragraph 358 of the Complaint.

359. Visa denies the allegations in paragraph 359 of the Complaint.

360. Visa denies the allegations in paragraph 360 of the Complaint.

361. Visa denies the allegations in paragraph 361 of the Complaint.

362. Visa denies the allegations in paragraph 362 of the Complaint.

363. Visa denies the allegations in paragraph 363 of the Complaint.

364. Visa denies the allegations in paragraph 364 of the Complaint.

365. Visa denies the allegations in paragraph 365 of the Complaint.

366. Visa denies the allegations in paragraph 366 of the Complaint.

Visa denies each and every allegation not specifically admitted above. Visa denies that Plaintiffs are entitled to the relief requested.

AFFIRMATIVE OR OTHER DEFENSES

Without assuming any burden of proof it would not otherwise bear, Visa asserts the following affirmative or other defenses. Visa reserves the right to assert further defenses as the case proceeds.

FIRST DEFENSE

The Complaint fails to state a claim upon which relief can be granted.

SECOND DEFENSE

Plaintiffs' claims are barred in whole or in part because Plaintiffs lack authority, capacity, or standing to assert them.

THIRD DEFENSE

Plaintiffs' claims are barred in whole or in part because Plaintiffs have not sustained antitrust injury by reason of any act or omission of Visa.

FOURTH DEFENSE

Plaintiffs' claims are barred in whole or in part because Visa had legitimate business justifications for the conduct at issue, its conduct was pro-competitive, and its practices were and are reasonably justified.

FIFTH DEFENSE

Plaintiffs' claims have been released or are barred in whole or in part by the doctrines of waiver or estoppel.

SIXTH DEFENSE

Plaintiffs' claims are barred in whole or in part by the applicable statutes of limitations.

SEVENTH DEFENSE

Plaintiffs' claims are barred in whole or in part by the doctrine of laches.

EIGHTH DEFENSE

Plaintiffs' claims are barred in whole or in part by the doctrine of res judicata or collateral estoppel.

NINTH DEFENSE

Injuries alleged by Plaintiffs were caused in whole or in part by the conduct of third parties for whom Visa was not responsible, through forces in the marketplace over which Visa had no control, or through acts or omissions on the part of one or more of the Plaintiffs, including failure to mitigate damages.

TENTH DEFENSE

Plaintiffs' claims are barred in whole or in part by the doctrine of accord and satisfaction.

ELEVENTH DEFENSE

Plaintiffs' claims are barred because Plaintiffs have failed to join one or more indispensable parties.

TWELFTH DEFENSE

Plaintiffs' claims are barred in whole or in part because Visa was entitled to, and did, reasonably rely on the decision in *National Bancard Corp. v. Visa U.S.A. Inc.*, 779 F.2d 492 (11th Cir. 1986).

THIRTEENTH DEFENSE

Plaintiffs' claims are released or otherwise barred in whole or in part by the settlements and final judgments in *In re Visa Check/MasterMoney Antitrust Litigation*, No. 96-CV-5238 (E.D.N.Y.).

FOURTEENTH DEFENSE

Plaintiffs' claims are barred in whole or in part to the extent that they seek to require Visa to act inconsistently with state laws prohibiting surcharging, the Dodd-Frank Act, or the Final Judgment As To Defendants MasterCard International Incorporated and Visa Inc. entered in connection with *United States et al. v. American Express Co., et al.*, No. CV-10-4496 (E.D.N.Y. July 20, 2011).

FIFTEENTH DEFENSE

Plaintiffs' claims are or in the future may be barred in whole or in part by the "filed rate" doctrine or the terms and implementing regulations of the Dodd-Frank Act.

SIXTEENTH DEFENSE

Plaintiffs' claims are barred in whole or in part because of ratification, agreement, acquiescence, or consent to Visa's alleged conduct.

SEVENTEENTH DEFENSE

Plaintiffs' claims are barred in whole or in part by Visa's restructuring or IPO.

EIGHTEENTH DEFENSE

Plaintiffs' claims are barred in whole or in part by the Commerce Clause of the United States Constitution.

NINETEENTH DEFENSE

Plaintiffs' claims are barred in whole or in part by the decision in *Illinois Brick Co. v. Illinois*, 431 U.S. 720 (1977), and related cases.

TWENTIETH DEFENSE

Plaintiffs' claims are barred, in whole or in part, to the extent that Plaintiffs seek damages, restitution, or other monetary relief that is duplicative of damages, restitution, or other monetary relief sought or recovered in other actions.

TWENTY-FIRST DEFENSE

Plaintiffs' claims for damages are barred in whole or in part because those allegedly injured by overcharges passed on such overcharges to others.

TWENTY-SECOND DEFENSE

Plaintiffs' claims are barred in whole or in part because Visa's conduct was expressly permitted by federal laws or regulations.

TWENTY-THIRD DEFENSE

Plaintiffs' Complaint fails to state facts sufficient to state a claim for attorneys' fees.

TWENTY-FOURTH DEFENSE

Plaintiffs have not suffered a compensable injury.

TWENTY-FIFTH DEFENSE

With respect to each of Plaintiffs' claims, Visa acted in good faith and its conduct was fully privileged.

TWENTY-SIXTH DEFENSE

Any injury sustained by Plaintiffs is subject to offset.

TWENTY-SEVENTH DEFENSE

Plaintiffs' claims are barred, in whole or in part, because the claimed monetary relief is speculative and impossible to ascertain.

TWENTY-EIGHTH DEFENSE

Plaintiffs' claims for damages are barred in whole or in part because O.C.G.A. § 13-8-2(a)(2) does not permit the recovery of damages.

TWENTY-NINTH DEFENSE

Visa incorporates by reference any applicable defense asserted by any other defendant.

WHEREFORE, Defendants Visa Inc., Visa U.S.A., and Visa International Service Association respectfully request that the Court dismiss the Complaint with prejudice, enter judgment in their favor and against Plaintiffs, award them attorneys' fees, costs, and expenses, and grant them such further relief as is just and equitable.

Dated: August 19, 2016

VAUGHAN & MURPHY

By: /s/ Charles C. Murphy, Jr.
Charles C. Murphy, Jr.
Georgia Bar No. 530062
260 Peachtree Street, NW, Suite 1600
Atlanta, GA 30303
(404) 577-6550
(404) 577-0060 (facsimile)
cmurphy@vaughanandmurphy.com

HOLWELL SHUSTER & GOLDBERG LLP

Michael S. Shuster (*application for admission pro hac vice pending*)
750 Seventh Avenue, 26th Floor
New York, NY 10019
(646) 837-5151
(646) 837-5150 (facsimile)
mshuster@hsgllp.com

ARNOLD & PORTER LLP

Mark R. Merley (*application for admission
pro hac vice pending*)

601 Massachusetts Ave, NW

Washington, DC 20001

(202) 942-5321

(202) 942-5999 (facsimile)

mark.merley@aporter.com

*Attorneys for Defendants Visa Inc., Visa
U.S.A. Inc., and Visa International Service
Association*

CERTIFICATE OF SERVICE

I hereby certify that I have made due and legal service of the foregoing ANSWER OF DEFENDANTS VISA INC., VISA U.S.A. INC., AND VISA INTERNATIONAL SERVICE ASSOCIATION TO PLAINTIFFS' COMPLAINT upon all parties by causing a copy of same to be served electronically by way of the Court's CM/ECF system on all counsel who have entered an appearance in this action.

This, the 19th day of August 2016.

s/ Charles C. Murphy, Jr.
Charles C. Murphy, Jr.
Georgia Bar No. 530062