

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS

You may be entitled to claim money from a class action settlement involving American Express gift cards.

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

- A settlement has been proposed in a class action lawsuit about whether American Express fully disclosed gift card terms and conditions, and whether it misrepresented the value of the cards.
- The settlement offers from \$5 up to \$20 per gift card (up to \$40 per person) to those who used or held one of 70 million American Express gift cards issued from January 1, 2002 through September 21, 2011. It also allows recipients, users and holders of those gift cards, as well as those who bought American Express gift cards for other people, to buy a new card without purchase or shipping/handling fees, and it lets anyone holding an American Express gift card with a \$25 or less value on it to get a refund of the unused balance at no cost.
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

SUMMARY OF YOUR OPTIONS AND LEGAL RIGHTS:

SUBMIT A CLAIM FORM	Get a payment, if your claim is verified.
EXCLUDE YOURSELF	Get no payment, but remain able to sue or continue to sue American Express about the claims in this case.
OBJECT	Write to the Court about why you don't like the settlement or the requests for attorneys' fees that have been filed.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- If the Court decides to approve the settlement, payments will be issued after any appeals are resolved. Please be patient.
- **August 17, 2015 UPDATE:** Motions for attorneys' fees have been filed. This notice has been updated to reflect this.

WHAT THIS NOTICE CONTAINS

PAGE

BASIC INFORMATION.....3

1. Who should read this Notice?

2. Why was this Notice issued?

3. What is the lawsuit about?

4. What is a class action?

5. Who is in charge of this class action?

6. Why is there a settlement?

WHO IS INCLUDED.....3

7. How do I know if I am part of the settlement?

8. Are there exceptions to being included?

9. What if I’m still not sure I am included?

THE SETTLEMENT BENEFITS – WHAT YOU GET..... 4

10. What does the settlement provide?

11. How much money can I get?

12. What if I no longer have my gift card?

13. What rights am I giving up?

HOW YOU GET A PAYMENT..... 4

14. How do I get a payment?

15. What if I already submitted a claim form?

16. When would I get my payment?

THE LAWYERS REPRESENTING YOU.....5

17. Do I have a lawyer in this case?

18. What about lawyers’ fees, expenses, and other costs?

19. What is the basis for the lawyers’ fee requests?

EXCLUDING YOURSELF FROM THE SETTLEMENT..... 5

20. How do I get out of the settlement?

21. What if I already excluded myself?

22. If I don’t exclude myself, can I sue American Express for the same thing later?

23. If I exclude myself can I get a payment from the settlement?

OBJECTING TO THE SETTLEMENT OR ATTORNEYS’ FEE.....6

24. How do I tell the Court if I don’t like the settlement?

25. What’s the difference between objecting and excluding?

THE COURT’S FAIRNESS HEARING.....6

26. When and where will the Court decide whether to approve the settlement?

27. Do I have to come to the hearing?

28. May I speak at the hearing?

IF YOU DO NOTHING.....7

29. What happens if I do nothing at all?

GETTING MORE INFORMATION..... 7

30. How do I get more information?

QUESTIONS? CALL 1-866-680-3343, OR VISIT WWW.KAUFMANCLASSACTIONSETTLEMENT.COM

BASIC INFORMATION

1. Who should read this Notice?

If you bought, received, held or used an American Express gift card (with an American Express logo on it) between January 1, 2002 and September 21, 2011, you should read this notice.

2. Why was this Notice issued?

If you are included, you have legal rights before the Court decides whether to approve a proposed settlement in this class action, and whether and how much to pay the lawyers involved. This notice explains the settlement and what those legal rights are. If the Court approves the settlement, and any objections and appeals are resolved, payments will be issued to those who have filed valid claim forms, as explained here.

This is the third notice to be issued about this settlement. The first notice resulted in only 1,344 claims and the Court did not approve the settlement. An expert in class action notification was appointed resulting in a second notice and thereafter the number of persons who submitted claims increased to 31,656. Now, before determining whether to approve the settlement and fees for the lawyers, this notice provides another opportunity to submit claims and to object to the settlement and the requests for lawyers' fees.

3. What is the lawsuit about?

This lawsuit is about whether American Express breached its contracts and violated the law by failing to adequately notify gift card purchasers and users of the full terms and conditions applicable to the gift cards it issued, and by misrepresenting the value of the cards. Specifically, it was claimed that American Express gift cards could not be used in "split-tender" transactions (using a gift card plus another form of payment), preventing cardholders from using up a gift card's full value and that any leftover value would then be used up by monthly fees unless the cardholder paid a "check issuance" fee. The people who sued are called "Plaintiffs," and the company they sued, American Express Travel Related Services, Inc. (called "American Express" in this notice), is the "Defendant."

4. What is a class action?

In a class action, one or more people sue on behalf of all people who have similar claims. The person or people who sue are called the "Class Representatives" (in this case Saul Kaufman, Kimberly Stegich, Gordon Jarratt, and Amanda Rudd). The people included in the class action are called a "Class" or "Class Members." One court resolves the issues for all Class Members.

5. Who is in charge of this class action?

Judge Joan B. Gottschall of the United States District Court for the Northern District of Illinois is in charge of the case, known as *Kaufman v. American Express Travel Related Services, Inc.*, No. 07-01707.

6. Why is there a settlement?

The settlement, if approved, makes money available to eligible Class Members and avoids the costs, risks and delays of a trial. American Express denies it did anything wrong, and the settlement is not an admission that it did anything wrong. The Court did not decide which side was correct.

WHO IS INCLUDED

7. How do I know if I am part of the settlement?

The Court decided that Class Members in the settlement include all people who purchased, received, held or used a gift card issued by American Express between January 1, 2002 and September 21, 2011 (called the "Class Period"). The settlement includes all American Express-issued gift cards that were sold at retail locations, via the internet, or through mall co-branded programs, with a few exceptions. If your gift card has an American Express logo on it, it is part of the settlement.

8. Are there exceptions to being included?

The following cards are not included: (i) "Be My Guest" dining cards; and (ii) gift cards sold at a Westfield shopping center in California (or online in California) between November 1, 2000 and October 1, 2009 and have the word "Westfield" or a "Westfield" logo on it.

QUESTIONS? CALL 1-866-680-3343, OR VISIT WWW.KAUFMANCLASSACTIONSETTLEMENT.COM

9. What if I'm still not sure I am included?

Call toll-free 1-866-680-3343, or write to: Kaufman Settlement Administrator, P.O. Box 8015, Faribault, MN 55021-9415 for more information.

THE SETTLEMENT BENEFITS – WHAT YOU GET

10. What does the settlement provide?

A settlement fund of \$6,753,269.50 was agreed upon. After subtracting costs for notice and administration, and claims to date, about \$3 million is available for payments to additional claimants who received and held or used a gift card but who have not yet made a claim. However, please be aware that the lawyers representing the Class and lawyers representing other Class members who are intervening in the class action are seeking fees, as well as incentive payments for Class Representatives, that could use up the remaining \$3 million if the Court grants these requests in full.

Class Members who bought a card and gave it to someone else, for example as a gift, cannot get money from the settlement for that card. However, the settlement also allows all Class Members to buy a new \$100 gift card without paying any purchase fee (typically \$3.95) or shipping/handling fee (typically \$5.95). The settlement also offers anyone (even a non-Class Member) who has an American Express gift card, or a gift card number without the actual card, with a value of \$25 or less a refund of the unused balance at no cost.

11. How much money can I get?

Each Class Member who unsuccessfully tried a split-tender transaction can get up to \$20. Those who incurred monthly fees can get up to \$8. Those who paid a check issuance fee can get up to \$5. A Class Member can claim one or all of these amounts, but no Class Member may get more than \$20 per gift card or \$40 total. Class Members who held an American Express Card and unsuccessfully tried a split-tender transaction and as a result incurred either a monthly fee or a check issuance fee, and who do not know their American Express gift card number, can get a total of \$5. If these claims total more than \$1,000,000, the \$5 payments will be reduced.

Depending on how many claims of any type are received, all payments could be less than these amounts (pro-rated), but not more. It is estimated that between 18 and 37 million people bought or received one of the 70 million American Express gift cards issued during the Class Period, with about 2 million identified in American Express records. 31,656 people have already claimed payments worth \$534,185. Unclaimed money from the settlement fund will be given to charity. You can apply for the balance refund and gift card purchase benefits even if you claim money from the settlement fund.

12. What if I no longer have my gift card?

If you no longer have your gift card or gift card number, you may still file a claim. Provide all the other information that the claim form requires. If American Express cannot match your claim with a gift card number in its records, your valid claim will qualify for \$5. If American Express can match a gift card number in its records with your claim, then you may qualify for more than \$5.

13. What rights am I giving up?

If the settlement is approved and becomes effective, all the Court's orders will apply to and legally bind all Class Members, including gift card purchasers, recipients, users and holders. Basically, you will give up any and all claims against American Express that are similar to those in the lawsuit. The specific rights which Class Members are giving up are called Released Claims. The Released Claims are described in detail in the Settlement Agreement available at www.KaufmanClassActionSettlement.com.

HOW YOU GET A PAYMENT

14. How do I get a payment?

Class Members must fill out a claim form to request a payment. You must provide the information it seeks. If you believe you have a valid claim, but did not receive a notice and claim form in the mail, then you may get one by calling 1-866-680-3343, or you may fill out a claim form at www.KaufmanClassActionSettlement.com.

15. What if I already submitted a claim form?

If you previously submitted a claim form, you do not need to submit another one. However, you may update your contact information or revise your claim by submitting a new claim form now. The settlement now offers to send checks to those who do not know their gift card number. The settlement amounts have not changed.

16. When would I get my payment?

Payments will be mailed to Class Members within 210 days after the Court grants “final approval” of the settlement and after any appeals are resolved. The Court is scheduled to consider final approval at a hearing on **January 22, 2016** (See the section called “The Court’s Fairness Hearing” below).

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

The court decided that Phillip A. Bock and Jonathan B. Piper of Bock & Hatch LLC, and Stephen B. Morris of Morris and Associates, should represent you and other Class Members as Class Counsel. If you want to be represented by a different lawyer, you may hire one at your own cost.

18. What about lawyers’ fees, expenses, and other costs?

Class Counsel have submitted a motion asking for \$1,525,000 in fees and costs, and also for \$1,000 for each of the four Class Representatives. Lawyers representing those who have intervened in the class action have also submitted a motion requesting \$1.5 million. If approved, all these amounts will be deducted from the \$6,753,269.50 settlement fund.

19. What is the basis for the lawyers’ fee requests?

You may read the motions, which detail the lawyers’ efforts and the rationale behind their requests, at www.KaufmanClassActionSettlement.com. In summary, Class Counsel believe their fee requests are justified as appropriate percentages of the value of the entire settlement fund, and also are supported by the number of hours Class Counsel worked on the case, as set forth in their motion. Intervenors believe their fee request is justified because they have increased the settlement fund relative to an initial memorandum of understanding, and, by advocating for improvements to the notice, that they ultimately caused the substantial increase in claims that makes approval of the settlement a real possibility.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don’t want a payment, but you want to keep your right to sue or continue to sue American Express about the issues in this case, then you must exclude yourself (also referred to as opting out).

20. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter saying you request to be excluded from the Class in *Kaufman v. American Express*. Be sure to include the case number, 07-01707, your full name and address, and your signature. Your request must be postmarked by **November 16, 2015** and sent to: Kaufman Class Action Settlement Administrator, P.O. Box 8015, Faribault, MN 55021-9415.

21. What if I already excluded myself?

If you excluded yourself previously, you may retract your exclusion now by submitting a claim form by **November 16, 2015**. You do not need to do anything if you would still like to be excluded from the settlement.

22. If I don’t exclude myself, can I sue American Express for the same thing later?

No. If you do not exclude yourself and the settlement is approved, you give up any right to sue American Express, or be a part of any other lawsuit against American Express about the claims this settlement will resolve.

23. If I exclude myself can I get a payment from the settlement?

No. If you exclude yourself, do not submit a claim form to ask for a payment.

OBJECTING TO THE SETTLEMENT OR ATTORNEYS' FEES

If you do not think the Court should approve the settlement or the motions for attorneys' fees, you may tell the Court why.

24. How do I tell the Court that I don't like the settlement or requests for attorneys' fees?

If you object, you or a lawyer you hire must send a letter stating that you object in *Kaufman v. American Express*, No. 07-01707. The letter must include: (i) your name, address and telephone number; (ii) your gift card number(s) if you know them; (iii) a statement that you are a Class Member; (iv) whether you are represented by a lawyer and, if so, the name of the lawyer; and (v) the reasons you object to the settlement and/or requests for lawyers' fees. The information in the motions for attorneys' fees filed by Class Counsel and counsel for Intervenors may be used to justify any objection to the fees you may have. If you intend to speak at the Fairness Hearing, see Question 28 below for additional requirements.

You must mail your objection to these three addresses postmarked no later than **November 16, 2015**:

ADMINISTRATOR	CLASS COUNSEL	DEFENSE COUNSEL
Kaufman Settlement Administrator P.O. Box 8015 Faribault, MN 55021-9415	Phillip A. Bock, Esq. Bock & Hatch LLC 134 N. La Salle Street Suite 1000 Chicago, IL 60602	Stephen J. Newman, Esq. Stroock & Stroock & Lavan LLP 2029 Century Park East Los Angeles, CA 90067

25. What's the difference between objecting and excluding?

Objecting is telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a Fairness Hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

26. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at 10:00 a.m. on Friday, **January 22, 2016**, at the United States District Court, Northern District of Illinois, Courtroom 2325, 219 South Dearborn Street, Chicago, Illinois 60604. At this hearing, the Court will consider whether the settlement is fair, adequate and reasonable. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing (*see* Question 28) and consider whether to approve the settlement and how much to pay Class Counsel and counsel for Intervenors. We do not know how long these decisions will take. The hearing could be moved to a different day and time, so check the website.

27. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court might have, but you are welcome to come at your own expense. You may pay your own lawyer to attend, but it is not required that you do so.

28. May I speak at the hearing?

You may ask the Court for permission for you or your own lawyer to speak at the Fairness Hearing. To do so, you must send a letter saying you intend to appear at the Fairness Hearing in *Kaufman V. American Express*. You must provide the information required in Question 24 above, and also provide: (i) the identity of witnesses who you may call to testify; and (ii) copies of exhibits you intend to offer into evidence. Your letter must be postmarked by **November 16, 2015**, and sent to the addresses in Question 24.

IF YOU DO NOTHING

29. What happens if I do nothing at all?

If you do nothing, you will get nothing from the settlement and you will lose any right to sue or continue to sue American Express about these claims ever again. If you do not submit a claim form, you will not get money from the settlement. If you do not object, you will lose your right to be heard in Court.

GETTING MORE INFORMATION

30. How do I get more information?

You may call 1-866-680-3343 toll free; write to Kaufman Settlement Administrator, P.O. Box 8015, Faribault, MN 55021-9415; or visit www.KaufmanClassActionSettlement.com, where you will find the detailed Settlement Agreement, and other information.