

EXHIBIT 1

EXECUTION VERSION

SETTLEMENT AGREEMENT

Dated April 15, 2015

by and between

MASTERCARD INTERNATIONAL INCORPORATED

and

TARGET CORPORATION

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EXHIBITS

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SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT dated as of April 15, 2015 (together with the attached Exhibits called this "Settlement Agreement"), by and between MASTERCARD INTERNATIONAL INCORPORATED, a Delaware corporation ("MasterCard"), and TARGET CORPORATION, a Minnesota corporation, on behalf of itself and its subsidiaries and affiliates ("Target").

WHEREAS, on December 19, 2013, Target publicly announced that it had suffered a computer system intrusion (further defined below as the Target Intrusion), during which payment card account data may have been compromised;

WHEREAS, following Target's public announcement of the data breach, certain issuers of payment cards, including MasterCard Issuers (as defined below), have filed several putative class actions against Target concerning the Target Intrusion, including, without limitation, the lawsuit styled as Alabama State Employees Credit Union v. Target Corp., No. 2:13-cv-952-WHA-CSC (M.D. Ala. filed Dec. 30, 2013) (the "Putative Issuer Class Actions");

WHEREAS, in these Putative Issuer Class Actions, certain MasterCard Issuers and other card-issuing banks have asserted (among other causes of action) tort claims alleging that Target is liable to them for alleged damages associated with the Target Intrusion, including but not limited to alleged damages stemming from fraudulent payment card charges on payment cards that the banks assert were compromised during the Target Intrusion, and costs incurred to close and reissue such payment cards;

WHEREAS, on April 2, 2014, the United States Judicial Panel on Multidistrict Litigation entered an Order in MDL No. 14-2522, In re: Target Corporation Customer Data Security Breach Litigation (the "MDL"), transferring all actions related to the Target Intrusion, pending in various different federal district courts, to the United States District Court for the District of Minnesota for coordinated or consolidated pretrial proceedings;

WHEREAS, on May 15, 2014, the transferee District Court in the District of Minnesota (the "Court") entered a case management Order separating the plaintiffs into three groups: the consumer cases, financial institution cases (the "Financial Institution Track"), and shareholder derivative cases, with the Financial Institution Track including all those cases brought by banks, credit unions, and other financial institutions seeking to recover damages allegedly caused by the Target Intrusion;

WHEREAS, MasterCard has asserted the right under the MasterCard Operating Regulations (as defined below) to recover from the Target Acquirers (as defined below) certain amounts representing losses and costs allegedly incurred by certain MasterCard Issuers (as defined below) in connection with the Target Intrusion;

WHEREAS, to the extent MasterCard were to recover any such amounts from the Target Acquirers, such Target Acquirers would be entitled to seek indemnification from Target;

WHEREAS, to the extent MasterCard were to recover any such amounts from the Target Acquirers, MasterCard would intend to pay such amounts to said MasterCard Issuers;

WHEREAS, some or all of said MasterCard Issuers have asserted or may assert claims, including those in the Putative Issuer Class Actions and the MDL, to recover directly from the Target Acquirers and/or Target amounts representing losses and costs allegedly incurred by them in connection with the Target Intrusion; and

WHEREAS, in order to settle claims and resolve other disputes among Target and the Target Acquirers, on the one hand, and MasterCard and certain MasterCard Issuers, on the other hand, with respect to the possible rights of MasterCard and MasterCard Issuers described above, and the actual and potential associated claims by MasterCard and MasterCard Issuers asserting such possible rights and other possible rights, Target and MasterCard have entered into this Settlement Agreement;

NOW, THEREFORE, in consideration of the representations, warranties and covenants set forth in this Settlement Agreement, and subject to all the terms and conditions set forth in this Settlement Agreement, MasterCard and Target agree as follows:

1. DEFINITIONS; CERTAIN RULES OF CONSTRUCTION.

1.1. Definitions. For purposes of this Settlement Agreement only, the following capitalized terms and non-capitalized words and phrases have the meanings respectively assigned to them below, which meanings are applicable equally to the singular and plural forms of the terms so defined:

"Acceptance Deadline" means May 20, 2015 unless such date is extended by MasterCard pursuant to Section 7.1, in which event the Acceptance Deadline shall mean May 27, 2015.

"Accepting Issuer" has the meaning set forth in Sections 3.3.1 and 3.3.2.

"Accepting Sponsored Issuer" means any Covered Sponsored Issuer that is not a Non-Accepting Sponsored Issuer.

"Accounting Statement" means a written statement (i) that sets forth MasterCard's calculation of the aggregate number of Alerted-On Accounts, the aggregate number of Covered Issuers' Alerted-On Accounts, and the aggregate number of Qualified Accounts, and that contains detail sufficient to confirm the accuracy of the MasterCard representations and warranties contained in clauses (c), (d), (e) and (f) of Section 8.1.1.3; (ii) that includes an issuer-by-issuer breakdown identifying each Eligible Issuer by means of a numerical identifier, rather than by name, setting forth the fully de-duplicated number of Alerted-On Accounts and Qualified Accounts of each Eligible Issuer and its Sponsored Issuers; (iii) that sets forth the Maximum Issuer Operating Expense Recovery Amount and the Maximum Issuer Fraud Recovery Amount of each Eligible Issuer and its Covered Sponsored Issuers and shows that the sum of the Maximum Issuer Operating Expense Recovery Amounts of all the Eligible Issuers and their Covered Sponsored Issuers equals the Maximum Aggregate Operating Expense Recovery Amount and that the sum of the Maximum Issuer Fraud Recovery Amounts of all the

Eligible Issuers and their Covered Sponsored Issuers equals the Maximum Aggregate Fraud Recovery Amount; and (iv) that sets forth the ARA of each Eligible Issuer and shows that the ARA of each Eligible Issuer is 71.4% of such issuer's Maximum Issuer Recovery Amount, and the sum of the ARAs of all the Eligible Issuers equals \$19,000,000.

"Acquirer Appeals" means the appeals submitted to MasterCard by the Target Acquirers asking that the ADC Assessments be either rescinded entirely by MasterCard or substantially reduced.

"Actual Issuer Fraud Recovery" means, with respect to any Non-Accepting Issuer or Partial Accepting Issuer, the amount that MasterCard determines after ruling on the Acquirer Appeals that the Non-Accepting Issuer or the Partial Accepting Issuer in question is entitled to recover under the MasterCard Operating Regulations for ADC Fraud Recovery attributable to the Target Intrusion for its Non-Accepting Qualified Accounts.

"Actual Issuer Operating Expense Recovery" means, with respect to any Non-Accepting Issuer or Partial Accepting Issuer, the amount that MasterCard determines after ruling on the Acquirer Appeals that the Non-Accepting Issuer or the Partial Accepting Issuer in question is entitled to recover under the MasterCard Operating Regulations for ADC Operational Reimbursement attributable to the Target Intrusion for its Non-Accepting Qualified Accounts.

"ADC Assessments" means the financial liability determinations made by MasterCard with respect to the Target Intrusion, as reflected in the letters sent by MasterCard to the Target Acquirers dated September 17, 2014.

"ADC Fraud Recovery" means fraud recovery as provided for in Section 10.2.5.5 of the *Security Rules and Procedures*.

"ADC Operational Reimbursement" means operational reimbursement as provided for in Section 10.2.5.4 of the *Security Rules and Procedures*.

"Adjusted ARA" has the meaning set forth in Section 3.4.

"Affiliate Customer" has the meaning set forth in the Definitions Section of the *MasterCard Rules*.

"Affiliate Issuer" means any MasterCard Issuer that controls, is controlled by, or is under common control with, another MasterCard Issuer.

"Affiliated Person" means, as to any Person, the past, present, and future representatives, attorneys, agents, accountants, assigns, insurers, administrators, officers, directors, trustees, employees, retained contractors, parents, affiliates, subsidiaries, predecessors, and successors of the Person, and any other Persons acting on behalf of the Person, all in their capacities as such, including, in the case of Bank of America N.A., Banc of America Merchant Services, LLC and, in the case of Fifth Third Bank, Vantiv LLC.

“Aggregate Non-Accepting Issuer ARA Amount” means the aggregate amount of (i) the ARAs of the Non-Accepting Issuers and (ii) the Partial Accepting Issuer ARA Reductions of the Partial Accepting Issuers.

“Aggregate Non-Accepting Issuer Awards Amount” means the aggregate amount of the Non-Accepting Issuer Awards.

“Alerted-On Account” means (i) in general, any MasterCard Account with respect to which MasterCard or any of its Affiliated Persons issued an alert in connection with the Target Intrusion, and (ii) with respect to each Covered Issuer, the group of MasterCard Accounts issued by such issuer with respect to which MasterCard or any of its Affiliated Persons issued an alert in connection with the Target Intrusion.

“Alternative Issuer Release” has the meaning set forth in Section 3.3.2.

“Alternative Recovery Acceptance Report” has the meaning set forth in Section 4.2.

“ARA” has the meaning set forth in Section 3.1.

“ARO” has the meaning set forth in Section 3.1.

“ARO Communication” has the meaning set forth in Section 3.

“ARO Date” has the meaning set forth in Section 3.

“Business Day” means any day other than any Saturday, Sunday or other day on which commercial banks are authorized or required to close in New York City.

“Challenge Declaration” has the meaning set forth in Section 3.6.

“Challenge Declaration Expiration Date” has the meaning set forth in Section 3.6.

“Challenged Awards” has the meaning set forth in Section 3.6.

“Consummation Date” has the meaning set forth in Section 6.3.

“Covered Action” has the meaning set forth in Section 10.13.

“Covered Issuer” means each MasterCard Issuer that was the issuer of one or more Qualified Accounts.

“Covered Sponsored Issuer” means (A) in general, a Covered Issuer that is a Sponsored Issuer of an Eligible Issuer; and (B) with respect to any Eligible Issuer, any Covered Issuer that is a Sponsored Issuer of such Eligible Issuer.

“Eligible Issuer” means a Covered Issuer that is not an Affiliate Customer; provided, however, that in the event two or more Covered Issuers that are Affiliate Issuers of one another would be Eligible Issuers under the foregoing definition, then one and only one of such Covered Issuers (to be designated by MasterCard) shall be an Eligible Issuer.

“Final Settlement Amount” means the Maximum Settlement Amount less the Aggregate Non-Accepting Issuer ARA Amount.

“Form of Alternative Issuer Release” has the meaning set forth in Section 3.1.

“Form of Standard Issuer Release” has the meaning set forth in Section 3.1.

“Independent Sponsored Issuer” means any Sponsored Issuer of an Eligible Issuer that is solely responsible and liable to MasterCard, and whose Eligible Issuer accordingly is not liable or responsible to MasterCard, for any and all transactions arising from the Sponsored Issuer’s use of the Eligible Issuer’s MasterCard Bank Identification Numbers associated with the Eligible Issuer’s MasterCard ICAs that are linked or dedicated to that Sponsored Issuer.

“MasterCard Account” is defined herein as a payment card account utilized by a payment card bearing the MasterCard symbol or MasterCard brand mark, the MasterCard Electronic symbol or MasterCard Electronic brand mark, the Debit MasterCard symbol or Debit MasterCard brand mark, the Maestro symbol or Maestro brand mark, and/or the Cirrus symbol or Cirrus brand mark, and issued by or through a member of MasterCard (or by or through some other entity sponsored directly or indirectly by an Affiliated Person of a member of MasterCard), that enables the purchase of goods from a merchant.

“MasterCard ICA” means, as to any MasterCard issuer, that issuer’s MasterCard Interbank Card Association number(s).

“MasterCard Issuer” means an issuer of a MasterCard Account.

“MasterCard Operating Regulations” means the governing bylaws, rules and regulations, published policies, and any other manuals of MasterCard prepared in connection with any program or service or activity of MasterCard and published to the members of MasterCard from time to time, for example, and not by way of limitation, the *MasterCard Rules*, the *Security Rules and Procedures*, and the *Chargeback Guide*, as currently or formerly in effect.

“MasterCard Release” has the meaning set forth in Section 6.2.

“Maximum Aggregate Fraud Recovery Amount” has the meaning set forth in clause (f) of Section 8.1.1.3.

“Maximum Aggregate Operating Expense Recovery Amount” has the meaning set forth in clause (e) of Section 8.1.1.3.

"Maximum Aggregate Recovery Amount" has the meaning set forth in clause (f) of Section 8.1.1.3.

"Maximum Issuer Fraud Recovery Amount" means, as to any Eligible Issuer, the maximum aggregate amount that MasterCard would award to such issuer and its Covered Sponsored Issuers under the MasterCard Operating Regulations for ADC Fraud Recovery attributable to the Target Intrusion, as determined by MasterCard in the ADC Assessments.

"Maximum Issuer Operating Expense Recovery Amount" means, as to any Eligible Issuer, the maximum aggregate amount that MasterCard would award to such issuer and its Covered Sponsored Issuers under the MasterCard Operating Regulations for ADC Operational Reimbursement attributable to the Target Intrusion, as determined by MasterCard in the ADC Assessments.

"Maximum Issuer Recovery Amount" means, as to any Eligible Issuer, the sum of the issuer's Maximum Issuer Fraud Recovery Amount and the issuer's Maximum Issuer Operating Expense Recovery Amount.

"Maximum Settlement Amount" means \$19,000,000.

"MDL" has the meaning set forth in the preamble hereto.

"MFN Percentage Adjustment Base" means the Final Settlement Amount divided by 0.714.

"MFN Percentage Adjustment Value" means the difference between the 71.4% and the Visa Percentage.

"MFN Percentage Amount" has the meaning set forth in Section 9.1.

"Non-Accepting Issuer" has the meaning set forth in Section 3.5.

"Non-Accepting Issuer Award" means (i) as to any Non-Accepting Issuer, the sum of the Actual Issuer Fraud Recovery and Actual Issuer Operating Expense Recovery for such Non-Accepting Issuer, or (ii) as to any Partial Accepting Issuer, the sum of the Actual Issuer Fraud Recovery and Actual Issuer Operating Expense Recovery for such Partial Accepting Issuer, in each case as limited by the Partial Accepting Issuer Award Cap.

"Non-Accepting Issuer Awards Report" has the meaning set forth in Section 3.5.

"Non-Accepting Qualified Accounts" means, as to any Non-Accepting Issuer, all Qualified Accounts issued by such Non-Accepting Issuer and its Covered Sponsored Issuers, and, as to any Partial Accepting Issuer, all Qualified Accounts issued by the Non-Accepting Sponsored Issuers of such Partial Accepting Issuer as set forth in such Partial Accepting Issuer's Partial Alternative Issuer Release.

“Non-Accepting Sponsored Issuer” has the meaning set forth in Section 3.4.

“Non-Accepting Sponsored Issuer Allocation Ratio” means, as to any Non-Accepting Sponsored Issuer, the ratio of (a) the number of Qualified Accounts issued by such Non-Accepting Sponsored Issuer to (b) the aggregate number of Qualified Accounts issued by all the Non-Accepting Sponsored Issuers of such Non-Accepting Sponsored Issuer’s Partial Accepting Issuer (in each case as such numbers are set forth in such Partial Accepting Issuer’s Partial Alternative Issuer Release).

“Non-Independent Sponsored Issuer” means any Sponsored Issuer of an Eligible Issuer that is not an Independent Sponsored Issuer.

“Non-VisaNet Accounts” means the accounts that Visa alerted on in connection with the Target Intrusion that, as provided by Visa on or about October 24, 2014, Visa determined to be ineligible for the GCAR program pursuant to the second bullet in ID#160312-150512-0026753 of the Visa International Operating Regulations.

“Non-VisaNet MFN Amount” has the meaning set forth in Section 9.2.

“Non-VisaNet MFN Threshold” has the meaning set forth in Section 9.2.

“Non-VisaNet Settlement Amount” has the meaning set forth in Section 9.2.

“Opt-In Threshold Condition” means that the Qualified Accounts of the Accepting Issuers and their Covered Sponsored Issuers plus the Qualified Accounts of the Partial Accepting Issuers and their Accepting Sponsored Issuers, in the aggregate, comprise at least 90% of the Qualified Accounts of all Eligible Issuers and their Covered Sponsored Issuers.

“Partial Accepting Issuer” has the meaning set forth in Section 3.3.3.

“Partial Accepting Issuer ARA Reduction” means the difference between a Partial Accepting Issuer’s ARA and such Partial Accepting Issuer’s Adjusted ARA.

“Partial Accepting Issuer Award Cap” has the meaning set forth in Section 3.5.

“Partial Alternative Issuer Release” has the meaning set forth in Section 3.3.3.

“Person” means any individual or any corporation, association, partnership, limited liability company, joint venture, joint stock or other company, business trust, trust, organization, governmental authority or other entity of any kind.

“Qualified Account” means an Alerted-On Account that MasterCard determined was eligible to be made the subject of issuer fraud recovery and/or issuer operating expense recovery under the MasterCard Operating Regulations, and that MasterCard included in its calculations of issuer fraud recovery and/or issuer operating expense recovery when determining the ADC Assessments.

"Putative Issuer Class Actions" has the meaning set forth in the preamble hereto.

"Reports on Compliance" means the following reports prepared for Target in conjunction with the annual assessment of Target's compliance with the Payment Card Industry Data Security Standards and/or other then existing data security standards: Report on Compliance issued by Trustwave on September 20, 2013, Report on Compliance issued by Trustwave on September 20, 2012, and Report on Compliance issued by Trustwave on September 29, 2011.

"Settlement" means the settlement embodied in this Settlement Agreement.

"Settlement Agreement" has the meaning set forth in the preamble hereto.

"Sponsored Issuer" means (A) in general, any MasterCard Issuer that is (i) an Affiliate Issuer of an Eligible Issuer or (ii) an Affiliate Customer of an Eligible Issuer or one of its Affiliate Issuers; and (B) with respect to any Eligible Issuer, any MasterCard Issuer (i) that is an Affiliate Issuer of such Eligible Issuer or (ii) an Affiliate Customer of such Eligible Issuer or one of its Affiliate Issuers.

"Standard Issuer Release" has the meaning set forth in Section 3.3.1.

"Target Acquirer Amount" has the meaning set forth in Section 3.6.

"Target Acquirers" means Bank of America N.A. and Fifth Third Bank, in their capacities as acquiring banks for Target in the MasterCard payment card network.

"Target Intrusion" means the Target computer system intrusion(s) referenced in the MasterCard Alerts issued under case numbers ADC1904, ADC1924, and ADC1948, including all of their subparts.

"Target Release" has the meaning set forth in Section 6.1.

"Termination Date" has the meaning set forth in Section 7.2.

"Unsatisfied Threshold Event" means that, as of the Acceptance Deadline, the Qualified Accounts of the Accepting Issuers and their Covered Sponsored Issuers plus the Qualified Accounts of the Partial Accepting Issuers and their Accepting Sponsored Issuers, in the aggregate, do not comprise at least 90% of the Qualified Accounts of all Eligible Issuers and their Covered Sponsored Issuers.

"Visa GCAR Liability Amount" means the aggregate amount of Global Compromised Account Recovery ("GCAR") liability calculated by Visa in regard to the Target Intrusion under its GCAR program pursuant to ID#160312-150512-0026566 of the Visa International Operating Regulations, as provided by Visa on or about October 24, 2014.

"Visa Percentage" means the percentage calculated by dividing (1) the Visa GCAR Liability Amount into (2) the amount that Target agrees to pay in a Visa Settlement that is allocable to the accounts that Visa alerted on in connection with the Target Intrusion other than the Non-VisaNet Accounts.

"Visa Settlement" has the meaning set forth in Section 9.

1.2. Certain Rules of Construction. Except as otherwise explicitly specified to the contrary, (a) references to a Section, Exhibit or Schedule means a Section of, or Schedule or Exhibit to, this Settlement Agreement, unless another agreement or document is specified, (b) the word "including" will be construed as "including without limitation," (c) references to a particular statute or regulation include all rules and regulations thereunder and any predecessor or successor statute, rules or regulation, in each case as amended or otherwise modified from time to time, (d) words in the singular or plural form include the plural and singular form, respectively and (e) references to a particular Person include such Person's successors and assigns to the extent not expressly prohibited by this Settlement Agreement.

2. ACCOUNTING STATEMENT. Prior to the execution and delivery of this Settlement Agreement, MasterCard has delivered to Target the Accounting Statement.

3. ALTERNATIVE RECOVERY OFFER. By no later than April 29, 2015 (the "ARO Date"), MasterCard shall send to each Eligible Issuer the communication attached hereto as Exhibit 3 (the "ARO Communication"), appropriately completed for each Eligible Issuer.

3.1. Terms of Communication. The ARO Communication shall (i) include an offer to the Eligible Issuer to which it is addressed (in the form appearing as Exhibit C to Exhibit 3 hereto), as an alternative to any recovery in regard to the Target Intrusion that may otherwise be available to said Eligible Issuer and its Covered Sponsored Issuers, of a specified dollar amount (as to each Eligible Issuer, such offer being defined as such issuer's "ARO" and the specified dollar amount of such offer being defined as such issuer's "ARA"); (ii) recommend that each Eligible Issuer accept its ARO on behalf of itself and its Covered Sponsored Issuers; (iii) include the form appearing as Exhibit A to Exhibit 3 hereto (a "Form of Standard Issuer Release") for Eligible Issuers with no Sponsored Issuers, according to MasterCard's records, or whose Sponsored Issuers are exclusively Non-Independent Sponsored Issuers, according to MasterCard's records, or the form appearing as Exhibit B to Exhibit 3 hereto (a "Form of Alternative Issuer Release") for Eligible Issuers whose Sponsored Issuers include one or more Independent Sponsored Issuers, according to MasterCard's records; and (iv) provide (in the form appearing as Exhibit D to Exhibit 3 hereto) information regarding the putative class action proceedings referenced in Sections 3.3.1, 3.3.2, and 3.3.3.

3.2. Alternative Recovery Amount. Each Eligible Issuer's ARO shall reflect an ARA equal to 71.4% of the Eligible Issuer's Maximum Issuer Recovery Amount, and the aggregate amount of all the Eligible Issuers' ARAs shall equal \$19,000,000.

3.3. Issuer Releases.

3.3.1. Standard Issuer Release. Any Eligible Issuer that receives a Form of Standard Issuer Release and desires to accept its ARO on behalf of itself, in the event that it has no Covered Sponsored Issuers, or on behalf of itself and all Covered Sponsored Issuers of such Eligible Issuer, in the event that it has one or more Covered Sponsored Issuers, must, on or before the Acceptance Deadline, fully complete, duly execute, and deliver to MasterCard said Form of Standard Issuer Release. Each such Form of Standard Issuer Release so fully completed, duly executed and delivered as set forth in this Section 3.3.1 is herein called a "Standard Issuer Release," and each Eligible Issuer that delivers a Standard Issuer Release is herein called an "Accepting Issuer." As provided in the Form of Standard Issuer Release, each Accepting Issuer shall, effective on the Consummation Date, irrevocably waive its right, the right of its Affiliated Persons, and the rights of each of its Accepting Sponsored Issuers and their Affiliated Persons to assert against MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them, and shall fully and finally release MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them from, the following: (a) any claim or right of recovery the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might otherwise have had under the MasterCard Operating Regulations by reason of any matter, occurrence, or event pertaining to the Target Intrusion, (b) any dispute or objection the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might otherwise be entitled to raise or make with respect to the amount, or the calculation of the amount, of the Accepting Issuer's ARA as determined by MasterCard, and (c) any claim or right the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might be entitled to assert, and any monetary recovery or other relief that the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might be entitled to seek or receive, in any litigation or other proceeding (including without limitation the pending putative class action proceedings consolidated under the caption entitled In re: Target Corporation Customer Data Security Breach Litigation, MDL No. 14-2522 (PAM/JJK) pending in the United States District Court for the District of Minnesota), or under any other laws, rules or regulations, in connection with any injury or harm the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons may have incurred in its capacity as a MasterCard Issuer by reason of any matter, occurrence, or event pertaining to the Target Intrusion (whether or not such matter, occurrence, or event is known to the Accepting Issuer as of the date of the Standard Issuer Release). Notwithstanding anything to the contrary in the preceding sentence, no Standard Issuer Release shall be interpreted to affect any claim or right of recovery that any Accepting Sponsored Issuer of the Accepting Issuer in question may have with respect to Qualified Accounts, if any, that the Accepting Sponsored Issuer in question issued under the MasterCard ICA of an Eligible Issuer other than the Accepting Issuer in question. No Eligible Issuer shall be deemed to have timely and validly accepted its ARO on its behalf or on its own behalf and on behalf of all of its Accepting Sponsored Issuers unless such Eligible Issuer shall have fully completed, duly executed, and timely delivered its Form of Standard Issuer Release and such fully completed, duly executed, and such timely delivered Standard Issuer Release shall in turn have been timely delivered to Target by MasterCard.

3.3.2. Alternative Issuer Release. Any Eligible Issuer that receives a Form of Alternative Issuer Release and desires to accept its ARO on behalf of itself and all Covered Sponsored Issuers of such Eligible Issuer must, on or before the Acceptance Deadline, fully complete, duly execute, and deliver to MasterCard said Form of Alternative Issuer Release and confirm in Schedule II of such release that the Eligible Issuer has no Non-Accepting Sponsored Issuers. Each Form of Alternative Issuer Release so fully completed, duly executed, and delivered as set forth in this Section 3.3.2 is herein called an “Alternative Issuer Release,” and each Eligible Issuer that delivers an Alternative Issuer Release is herein called an “Accepting Issuer.” As provided in the Form of Alternative Issuer Release, each Accepting Issuer shall, effective on the Consummation Date, irrevocably waive its right, the right of its Affiliated Persons, the rights of each of its Accepting Sponsored Issuers, and the rights of each of its Accepting Sponsored Issuers’ Affiliated Persons to assert against MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them, and shall fully and finally release MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them from, the following: (a) any claim or right of recovery the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might otherwise have had under the MasterCard Operating Regulations by reason of any matter, occurrence, or event pertaining to the Target Intrusion, (b) any dispute or objection the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might otherwise be entitled to raise or make with respect to the amount, or the calculation of the amount, of the Accepting Issuer’s ARA as determined by MasterCard, and (c) any claim or right the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might be entitled to assert, and any monetary recovery or other relief that the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might be entitled to seek or receive, in any litigation or other proceeding (including without limitation the pending putative class action proceedings consolidated under the caption entitled In re: Target Corporation Customer Data Security Breach Litigation, MDL No. 14-2522 (PAM/JJK) pending in the United States District Court for the District of Minnesota), or under any other laws, rules or regulations, in connection with any injury or harm the Accepting Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons may have incurred in its capacity as a MasterCard Issuer by reason of any matter, occurrence, or event pertaining to the Target Intrusion (whether or not such matter, occurrence, or event is known to the Accepting Issuer as of the date of the Alternative Issuer Release). Notwithstanding anything to the contrary in the preceding sentence, no Alternative Issuer Release shall be interpreted to affect any claim or right of recovery that any Accepting Sponsored Issuer of the Accepting Issuer in question may have with respect to Qualified Accounts, if any, that the Accepting Sponsored Issuer in question issued under the MasterCard ICA of an Eligible Issuer other than the Accepting Issuer in question. No Eligible Issuer shall be deemed to have timely and validly accepted its ARO on its behalf or on its own behalf and on behalf of all of its Accepting Sponsored Issuers unless such Eligible Issuer shall have fully completed, duly executed, and timely delivered its Form of Alternative Issuer Release and such fully completed, duly executed, and such timely delivered Alternative Issuer Release shall in turn have been timely delivered to Target by MasterCard.

3.3.3. Partial Alternative Issuer Release. In the event that any Eligible Issuer that receives a Form of Alternative Issuer Release desires to accept its ARO on behalf of itself and on behalf of all of its Non-Independent Sponsored Issuers that are Covered Sponsored Issuers (to the extent the Eligible Issuer has any such Non-Independent Sponsored Issuers), but not on behalf of one or more of the Independent Sponsored Issuers of such Eligible Issuer that are Covered Sponsored Issuers, such Eligible Issuer must, on or before the Acceptance Deadline, fully complete, duly execute, and deliver to MasterCard such Form of Alternative Issuer Release and confirm in Schedule II of such release that the Eligible Issuer has one or more Non-Accepting Sponsored Issuers. Each Form of Alternative Issuer Release so fully completed, duly executed, and delivered as set forth in this Section 3.3.3 is herein called a "Partial Alternative Issuer Release," and each Eligible Issuer that delivers a Partial Alternative Issuer Release is herein called a "Partial Accepting Issuer." As provided in the Form of Alternative Issuer Release, each Partial Accepting Issuer shall, effective on the Consummation Date, irrevocably waive its right, the rights of its Accepting Sponsored Issuers, and the rights of any of its or their Affiliated Persons, to assert against MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them, and shall fully and finally release MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them from, the following: (a) any claim or right of recovery the Partial Accepting Issuer, its Accepting Sponsored Issuers, or any of its or their Affiliated Persons might otherwise have had under the MasterCard Operating Regulations by reason of any matter, occurrence, or event pertaining to the Target Intrusion, (b) any dispute or objection the Partial Accepting Issuer, its Accepting Sponsored Issuers, or any of its or their Affiliated Persons, might otherwise be entitled to raise or make with respect to the amount, or the calculation of the amount, of the Partial Accepting Issuer's ARA as determined by MasterCard, and (c) any claim or right the Partial Accepting Issuer or its Accepting Sponsored Issuers, might be entitled to assert, and any monetary recovery or other relief that the Partial Accepting Issuer, its Accepting Sponsored Issuers, or any of its or their Affiliated Persons, might be entitled to seek or receive, in any litigation or other proceeding (including without limitation the pending putative class action proceedings consolidated under the caption entitled In re: Target Corporation Customer Data Security Breach Litigation, MDL No. 14-2522 (PAM/JJK) pending in the United States District Court for the District of Minnesota), or under any other laws, rules or regulations, in connection with any injury or harm the Partial Accepting Issuer, its Accepting Sponsored Issuers, or any of its or their Affiliated Persons, may have incurred in its capacity as a MasterCard Issuer by reason of any matter, occurrence, or event pertaining to the Target Intrusion (whether or not such matter, occurrence, or event is known to the Partial Accepting Issuer as of the date of the Partial Alternative Issuer Release). Notwithstanding anything to the contrary in the preceding sentence, no Partial Alternative Issuer Release shall be interpreted to affect any claim or right of recovery that any Accepting Sponsored Issuer of the Partial Accepting Issuer in question may have with respect to Qualified Accounts, if any, that the Accepting Sponsored Issuer in question issued under the MasterCard ICA of an Eligible Issuer other than the Partial Accepting Issuer in question. In addition, each Partial Accepting Issuer must identify all of its Non-Accepting Sponsored Issuers on Schedule II of the Partial Alternative Issuer Release, and state how many of the total number of Qualified Accounts set forth in its ARO were issued by each such Non-Accepting Sponsored Issuer. No Partial Accepting Issuer shall be deemed to have timely and validly accepted its ARO on its behalf or on its own behalf and on

behalf of its Accepting Sponsored Issuers unless such Eligible Issuer shall have fully completed, duly executed, and timely delivered its Form of Alternative Issuer Release and such fully completed, duly executed, and timely delivered Partial Alternative Issuer Release shall in turn have been timely delivered to Target by MasterCard.

3.4. Adjusted ARAs for Partial Accepting Issuers. Each Partial Accepting Issuer's ARA shall be adjusted to account for the Qualified Accounts attributable to each of the Partial Accepting Issuer's Covered Sponsored Issuers that does not authorize its Partial Accepting Issuer to accept such Partial Accepting Issuer's ARO on such Covered Sponsored Issuer's behalf (any such Covered Sponsored Issuer that does not authorize its Partial Accepting Issuer to accept the ARO on its behalf is herein called a "Non-Accepting Sponsored Issuer"), as set forth in this Section 3.4. Each Partial Accepting Issuer's ARA shall be reduced by an amount equal to (a) the ratio of the aggregate number of Qualified Accounts issued by the Partial Accepting Issuer's Non-Accepting Sponsored Issuers (as set forth in the Partial Accepting Issuer's Partial Alternative Issuer Release) to the total number of Qualified Accounts set forth in the Partial Accepting Issuer's ARO, multiplied by (b) the ARA set forth in the Partial Accepting Issuer's ARO (such reduced ARA for each Partial Accepting Issuer is herein called the Partial Accepting Issuer's "Adjusted ARA"). For example, if a Partial Accepting Issuer's ARA is \$200 for 100 total Qualified Accounts, and 10 Qualified Accounts were issued by the Partial Accepting Issuer's Non-Accepting Sponsored Issuers in the Partial Accepting Issuer's Partial Alternative Issuer Release, the Partial Accepting Issuer's Adjusted ARA would be \$180 (*i.e.*, $\$200 - [(10/100) \times \$200]$).

3.5. Non-Acceptances. In the event that one or more of the Eligible Issuers does not fully complete, duly execute, and timely deliver to MasterCard a Standard Issuer Release, Alternative Issuer Release, or Partial Alternative Issuer Release (any such Eligible Issuer that does not fully complete, duly execute, and timely deliver to MasterCard a Standard Issuer Release, Alternative Issuer Release, or Partial Alternative Issuer Release is herein called a "Non-Accepting Issuer") or that one or more Eligible Issuers is a Partial Accepting Issuer, but the Opt-In Threshold Condition nonetheless is either met or waived as provided in Section 4.1, MasterCard will, within seventy-five (75) days from the date of MasterCard's delivery of the Alternative Recovery Acceptance Report, render a decision on the Acquirer Appeals and, after that decision, determine the Non-Accepting Issuer Award for each Non-Accepting Issuer and for each Partial Accepting Issuer (based on the Non-Accepting Qualified Accounts of each Non-Accepting Issuer and each Partial Accepting Issuer), and provide Target and the Target Acquirers with written notice (as provided in Section 10.1) of each Non-Accepting Issuer Award (the "Non-Accepting Issuer Awards Report"), such notice to (i) identify each Non-Accepting Issuer and Partial Accepting Issuer by name and by the numerical identifier used for such issuer in the Accounting Statement; (ii) set forth the amount of each Non-Accepting Issuer's ARA and Non-Accepting Issuer Award; (iii) set forth, for each Non-Accepting Sponsored Issuer, the name of its Partial Accepting Issuer, the portion of its Partial Accepting Issuer's ARA allocable to such Non-Accepting Sponsored Issuer, and the portion of its Partial Accepting Issuer's Non-Accepting Issuer Award allocable to such Non-Accepting Sponsored Issuer; and (iv) calculate the Aggregate Non-Accepting Issuer ARA Amount and the Aggregate Non-Accepting Issuer Awards Amount. For purposes of performing the calculations called for by clause (iii) of the preceding sentence, (a) MasterCard shall calculate the portion of a Partial Accepting Issuer's

ARA that is allocable to a Non-Accepting Sponsored Issuer of such Partial Accepting Issuer by multiplying (x) such Partial Accepting Issuer's Partial Accepting Issuer ARA Reduction by (y) the Non-Accepting Sponsored Issuer Allocation Ratio of the Non-Accepting Sponsored Issuer in question, and (b) MasterCard shall calculate the portion of a Partial Accepting Issuer's Non-Accepting Issuer Award that is allocable to a Non-Accepting Sponsored Issuer of such Partial Accepting Issuer by multiplying (x) the amount of such Partial Accepting Issuer's Non-Accepting Issuer Award by (y) the Non-Accepting Sponsored Issuer Allocation Ratio of the Non-Accepting Sponsored Issuer in question. MasterCard's provision of the Non-Accepting Issuer Awards Report shall constitute a representation and warranty by MasterCard as to the accuracy of the information contained therein. In determining the Non-Accepting Issuer Award for any Partial Accepting Issuer, MasterCard will not award an amount exceeding (a) the Maximum Issuer Recovery Amount for the Partial Accepting Issuer, multiplied by (b) the ratio of the aggregate number of Qualified Accounts attributable to the Partial Accepting Issuer's Non-Accepting Sponsored Issuers (as set forth in the Partial Accepting Issuer's Partial Alternative Issuer Release) to the total number of Qualified Accounts set forth in the Partial Accepting Issuer's ARO (the "Partial Accepting Issuer Award Cap").

3.6. Challenged Awards. MasterCard shall apply its ordinary process to obtain the Aggregate Non-Accepting Issuer Awards Amount from the Target Acquirers (the "Target Acquirer Amount"). MasterCard shall pay to each Non-Accepting Issuer and Partial Accepting Issuer the amount of such issuer's Non-Accepting Issuer Award from the Target Acquirer Amount, unless Target declares within five (5) Business Days of MasterCard's having provided Target with the Non-Accepting Issuer Awards Report in the manner called for in Section 3.5, its intention to challenge or cause the Target Acquirers to challenge (the "Challenge Declaration") any Non-Accepting Issuer Award (each, a "Challenged Award"), in which event MasterCard shall pay only those Non-Accepting Issuer Awards that are not Challenged Awards. If Target or the Target Acquirers do not commence an action to dispute any Challenged Award by the first Business Day that is on or after the date that is one (1) year from the Consummation Date (the "Challenge Declaration Expiration Date"), Target and the Target Acquirers shall waive and agree not to assert any claim against MasterCard regarding such Challenged Award in any forum, and MasterCard shall be permitted to pay such Challenged Award from the Target Acquirer Amount. Nothing in this Settlement Agreement, including but not limited to the preceding terms of this Section 3.6 shall be deemed a waiver of or otherwise prejudice any right that Target or the Target Acquirers otherwise would have had to dispute any Challenged Award by means of an action commenced on or prior to the Challenge Declaration Expiration Date. In the event of a Challenge Declaration, MasterCard will not make a distribution with respect to any Challenged Award on or before the Challenge Declaration Expiration Date, and, if Target or the Target Acquirers commence an action to dispute any Challenged Award on or before the Challenge Declaration Expiration Date, MasterCard will not make a distribution with respect to any such Challenged Award until the challenge is fully and finally adjudicated in a court of law.

4. UNSATISFIED THRESHOLD EVENT; ALTERNATIVE RECOVERY ACCEPTANCE REPORT; MASTERCARD REPRESENTATIONS; DELIVERY OF ISSUERS' RELEASES.

4.1. Unsatisfied Threshold Event. This Settlement Agreement shall become void, and each party shall be relieved of any obligation to consummate the transactions contemplated herein, in the event the Unsatisfied Threshold Event occurs and the Opt-In Threshold Condition is not waived in writing by both MasterCard and Target within five (5) Business Days of MasterCard's delivery of the written certification described in the following sentence. If the Unsatisfied Threshold Event occurs, MasterCard shall deliver (as provided in clause (a) or (c) of Section 10.1) to Target not later than 5:00 p.m., Eastern time, three (3) Business Days following the Acceptance Deadline, a written certification to the effect that the Unsatisfied Threshold Event has occurred. The delivery by MasterCard of such a written certification shall constitute a representation and warranty by MasterCard, and MasterCard shall be deemed to represent and warrant by such delivery, that the information contained therein is true and correct.

4.2. Alternative Recovery Acceptance Report. If the Unsatisfied Threshold Event shall not have occurred and, accordingly, the Opt-In Threshold Condition shall have been met, or if the Opt-In Threshold Condition shall have been waived as provided in Section 4.1, MasterCard shall deliver (as provided in clause (a) or (c) of Section 10.1) to Target not later than 5:00 p.m., Eastern Time, five (5) Business Days following either the Acceptance Deadline (in a case where the Opt-In Threshold Condition has been met) or the date of the waiver of the Opt-In Threshold Condition (in a case where the Opt-In Threshold Condition has been waived), a written report (the "Alternative Recovery Acceptance Report") that sets forth the same information contained in the Accounting Statement together with the name, MasterCard ICA (and by the numerical identifier used for such Eligible Issuer in the Accounting Statement), and the number of Qualified Accounts of each Accepting Issuer and its Covered Sponsored Issuers and of each Partial Accepting Issuer and its Accepting Sponsored Issuers. The Alternative Recovery Acceptance Report shall also set forth the ARA of each Accepting Issuer and each Partial Accepting Issuer; and MasterCard's calculation of the Adjusted ARA and the Partial Accepting Issuer ARA Reduction of each Partial Accepting Issuer, and the Final Settlement Amount. The Alternative Recovery Acceptance Report shall also set forth MasterCard's calculation either demonstrating that the Opt-In Threshold Condition has been met (in a case where the Opt-In Threshold Condition has been met) or showing the extent to which the Opt-In Threshold Condition has not been met (in a case where the Opt-In Threshold Condition has been waived).

4.3. MasterCard Representations. The delivery of the Alternative Recovery Acceptance Report by MasterCard shall constitute a representation and warranty by MasterCard, and MasterCard shall be deemed to represent and warrant by such delivery, that (i) MasterCard has in the Alternative Recovery Acceptance Report correctly set forth the names and MasterCard ICAs of the Accepting Issuers and the number of Alerted-On Accounts and Qualified Accounts of each of the Accepting Issuers and their Sponsored Issuers, (ii) each Accepting Issuer identified as such in the Alternative Recovery Acceptance Report has timely provided MasterCard with a fully completed and duly executed Standard Issuer Release or Alternative Issuer Release, (iii) MasterCard has in the Alternative Recovery

Acceptance Report correctly set forth the names and MasterCard ICAs of the Partial Accepting Issuers and the number of Alerted-On Accounts and Qualified Accounts of each of the Partial Accepting Issuers and their Accepting Sponsored Issuers, (vi) each Partial Accepting Issuer identified as such in the Alternative Recovery Acceptance Report has timely provided MasterCard with a fully completed and duly executed Partial Alternative Issuer Release, (iv) MasterCard has in the Alternative Recovery Acceptance Report correctly calculated each Partial Accepting Issuer's Adjusted ARA and Partial Accepting Issuer ARA Reduction, the Final Settlement Amount, and either that the Opt-In Threshold Condition has been met (in a case where the Opt-In Threshold Condition has been met) or the extent to which the Opt-In Threshold Condition has not been met (in a case where the Opt-In Threshold Condition has been waived), (v) the numerical information contained in the Alternative Recovery Acceptance Report with respect to the Accepting Issuers and their Covered Sponsored Issuers accurately reflects such numerical information as it was provided to MasterCard by the Accepting Issuers in their Standard Issuer Releases or Alternative Issuer Releases, as applicable, and matches such numerical information as it was provided to MasterCard by the Accepting Issuers and their Covered Sponsored Issuers and as it was set forth as to the Accepting Issuers and their Covered Sponsored Issuers in the Accounting Statement, and (vi) the numerical information contained in the Alternative Recovery Acceptance Report with respect to the Partial Accepting Issuers and their Accepting Sponsored Issuers accurately reflects such numerical information as it was provided to MasterCard by the Partial Accepting Issuers in their Partial Alternative Issuer Releases, and accurately reflects the numerical information provided to MasterCard by the Partial Accepting Issuers and their Covered Sponsored Issuers and as it was set forth as to the Partial Accepting Issuers and their Covered Sponsored Issuers in the Accounting Statement, after adjusting for the Qualified Accounts issued by the Partial Accepting Issuers' Non-Accepting Sponsored Issuers, as set forth in the Partial Accepting Issuers' Partial Alternative Issuer Releases.

4.4. Delivery of Issuers' Releases. In the event that the Opt-In Threshold Condition shall have been met or waived as provided in Section 4.1, then not later than three (3) Business Days after MasterCard has delivered the Alternative Recovery Acceptance Report to Target, MasterCard shall deliver to Target a true and correct copy of the Standard Issuer Release, Alternative Issuer Release, or Partial Alternative Issuer Release, as applicable, of each Eligible Issuer identified as an Accepting Issuer or Partial Accepting Issuer in the Alternative Recovery Acceptance Report. Each such Standard Issuer Release, Alternative Issuer Release, and Partial Alternative Issuer Release shall have been fully completed, duly executed, and timely delivered by the Eligible Issuer. The delivery of a Standard Issuer Release, Alternative Issuer Release, or Partial Alternative Issuer Release by MasterCard to Target pursuant to this Section 4.4 shall constitute a representation and warranty by MasterCard, and MasterCard shall be deemed to represent and warrant by such delivery, that Schedule I of each Standard Issuer Release, and, collectively, Schedules I and II of each Alternative Issuer Release and Partial Alternative Issuer Release, accurately sets forth, as shown in MasterCard's records as of December 15, 2013, the Sponsored Issuer(s), including any Affiliate Issuer(s), of the Accepting Issuer or Partial Accepting Issuer, as applicable, that executed such Standard Issuer Release, Alternative Issuer Release or Partial Alternative Issuer Release.

5. PAYMENT BY TARGET; DISTRIBUTION BY MASTERCARD. Subject to all the conditions of consummation set forth in Section 6.3, (a) on the Consummation Date, Target shall pay the Final Settlement Amount to MasterCard in same day funds (by federal wire transfer to a bank account specified by MasterCard on not less than two (2) Business Days advance written notice to Target); (b) within five (5) Business Days of the Consummation Date, Target shall deliver to the Target Acquirers a copy of each Standard Issuer Release, Alternative Issuer Release, and Partial Alternative Issuer Release received from MasterCard pursuant to Section 4.4; and (c) within fifteen (15) Business Days of the Consummation Date, MasterCard shall pay each Accepting Issuer its ARA and shall pay each Partial Accepting Issuer its Adjusted ARA.

6. RELEASES; CONSUMMATION DATE.

6.1. Target Release. Prior to the Consummation Date, Target shall make reasonable efforts to cause the Target Acquirers to execute the form of release attached to this Settlement Agreement as Exhibit 6.1 or a version of that form of release otherwise acceptable to MasterCard and Target. On the Consummation Date, provided that the Target Acquirers have theretofore executed either the form of release attached to this Settlement Agreement as Exhibit 6.1 or a version of that form of release that is otherwise acceptable to MasterCard and Target, and upon and subject to the satisfaction of all of the other conditions set forth in Section 6.3 below, Target hereby agrees that it shall deliver to MasterCard a duly executed version of such form of release (the "Target Release").

6.2. MasterCard Release. On the Consummation Date, upon and subject to the satisfaction of all of the other conditions set forth in Section 6.3 below, MasterCard hereby agrees that it shall deliver to Target a duly executed version of the form of release attached to this Settlement Agreement as Exhibit 6.2 (the "MasterCard Release").

6.3. Conditions to Consummation; Consummation Date. It is a condition to the consummation of the Settlement that the Opt-In Threshold Condition shall have been met or waived as provided in Section 4.1 and a termination notice pursuant to Section 7.2 shall not have been given by Target or MasterCard. In the event that the Opt-In Threshold Condition shall have been met or waived as provided in Section 4.1 and such a termination notice has not been given, the Settlement shall be consummated on the date that is five (5) Business Days from the date on which MasterCard, pursuant to Section 4.2, provides Target the Alternative Recovery Acceptance Report (the "Consummation Date"), by Target paying MasterCard the Final Settlement Amount as required by Section 5(a) and delivering the Target Release to MasterCard, pursuant to Section 6.1, and by MasterCard delivering the MasterCard Release to Target as required by Section 6.2, provided that all of the following additional conditions to consummation of the settlement contemplated by this Settlement Agreement shall have also been met by MasterCard or waived by Target as of such date:

6.3.1.1 MasterCard shall have delivered to Target copies of the Standard Issuer Releases, Alternative Issuer Releases, and Partial Alternative Issuer Releases as required by Section 4.4.

6.3.1.2 The representations and warranties of MasterCard referenced or made in Section 8.1.1 shall be true and correct in all material respects on the Consummation Date with the same force and effect as if made as of the Consummation Date and MasterCard shall have performed and complied with all agreements, obligations and covenants contained in this Settlement Agreement that are required to be performed or complied with by it.

7. OPT-IN THRESHOLD CONDITION; TERMINATION, ETC.

7.1. Opt-In Threshold Condition. The obligations of Target to pay MasterCard the Final Settlement Amount and to deliver the Target Release to MasterCard as set forth in Section 6 are subject to the condition that the Unsatisfied Threshold Event shall not have occurred. In the event that as of May 20, 2015, the Qualified Accounts of the Accepting Issuers and their Covered Sponsored Issuers plus the Qualified Accounts of the Partial Accepting Issuers and their Accepting Sponsored Issuers, in the aggregate, comprise at least 80% (but less than 90%) of the Qualified Accounts of all the Eligible Issuers and their Covered Sponsored Issuers, MasterCard may, by written notice to Target delivered not later than 5:00 p.m., Eastern Time, on the third (3) Business Day after May 20, 2015, extend the Acceptance Deadline from its original date by five (5) Business Days.

7.2. Termination. This Settlement Agreement shall automatically terminate in the event that the Opt-In Threshold Condition shall not be met or waived as provided in Section 4.1, and this Settlement Agreement may also be terminated (the date on which the Settlement Agreement is terminated, the "Termination Date") at any time prior to the Consummation Date:

7.2.1. by mutual written consent of Target and MasterCard;

7.2.2. by Target or MasterCard by written notice to the other party, at any time after August 18, 2015 if the Consummation Date has not occurred by such date (unless the Consummation Date has not occurred as the result of one or more breaches or violations of, or material inaccuracies in, any covenant, agreement, representation or warranty of this Settlement Agreement by the terminating party);

7.2.3. by Target, by written notice to MasterCard, if either (i) there has been or will be a material breach of, or inaccuracy in, any representation or warranty of MasterCard contained in this Settlement Agreement as of the date of this Settlement Agreement or as of any subsequent date (other than representations or warranties that this Settlement Agreement expressly limits so as to speak only as of a specific date or time, with respect to which Target's right to terminate will arise only in the event of a breach of, or inaccuracy in, such representation or warranty as of such specified date or time), provided, however, that in the event that any number in the Accounting Statement deviates from (x) the corresponding number in Section 8.1.1.3(c), (d), (e) or (f) hereof, or (y) any corresponding number in the Alternative Recovery Acceptance Report after adjusting for the Qualified Accounts attributable to the Partial Accepting Issuer's Non-Accepting Sponsored Issuers as set forth in the Partial Accepting Issuer's Partial Alternative Issuer Release, any such deviation that is less than 0.25% shall not for purposes of this Section 7.2.3 in and of

itself constitute or create a material breach of, or inaccuracy in, any representation or warranty of MasterCard contained in this Settlement Agreement relative to the number in question; or (ii) MasterCard has breached or violated any of its covenants and agreements contained in this Settlement Agreement; and

7.2.4. by MasterCard, by written notice to Target, if either (i) there has been or will be a material breach of, or inaccuracy in, any representation or warranty of Target contained in this Settlement Agreement as of the date of this Settlement Agreement or as of any subsequent date (other than representations or warranties that this Settlement Agreement expressly limits so as to speak only as of a specific date or time, with respect to which MasterCard's right to terminate will arise only in the event of a breach of, or inaccuracy in, such representation or warranty as of such specified date or time), or (ii) Target has breached or violated any of its covenants and agreements contained in this Settlement Agreement.

Effective upon the Opt-In Threshold Condition having been neither met nor waived as provided in Section 4.1 and effective upon the execution of any mutual consent to termination or the giving of any termination notice in accordance with Section 7.2 (delivered as provided in Section 10.1), this Settlement Agreement shall terminate and be void and shall be of no further force or effect, except as provided in Section 7.3.

7.3. Effect of Termination. If this Settlement Agreement is terminated as provided by or pursuant to the provisions of Section 7.2, such termination shall be effective as against both parties to this Settlement Agreement and shall be without liability of either party to the other party to this Settlement Agreement, except for liabilities arising in respect of breaches of representations and warranties and covenants under this Settlement Agreement by either party on or prior to the Termination Date. In the event of such termination it is agreed by the parties that, as provided in Section 10.14, none of MasterCard's agreement to present the AROs to Eligible Issuers, Target's agreement to pay the Final Settlement Amount, or any other provision of this Settlement Agreement shall be cited in any way by MasterCard or Target, or be deemed evidence of an admission on the part of either of the parties, in any subsequent dispute other than a dispute relative to the enforcement of this Settlement Agreement. The provisions of Section 7.3, Sections 8.2 and 8.3, and Section 10 shall survive any termination pursuant to Section 7.2.

8. REPRESENTATIONS AND WARRANTIES; MASTERCARD AND TARGET INDEMNIFICATION.

8.1. Representations and Warranties. Each of the parties to this Settlement Agreement hereby makes the following representations and warranties to the other party:

8.1.1. Representations and Warranties of MasterCard. In addition to its representations and warranties made in connection with either the delivery of the certification regarding the Unsatisfied Threshold Event as provided in Section 4.1 or the delivery of the Non-Accepting Issuer Awards Report, the Alternative Recovery Acceptance Report, the Standard Issuer Releases, the Alternative Issuer Releases, and Partial Alternative

Issuer Releases as provided in Section 3.5, Section 4.2, and Section 4.4 respectively, and the MasterCard Release as provided in Section 6.2, MasterCard hereby represents and warrants that:

8.1.1.1 Authorization. The execution, delivery and performance of this Settlement Agreement, including the Exhibits to which MasterCard is a party, and the consummation by MasterCard of the transactions contemplated hereby and thereby, are within its corporate powers and have been duly authorized by all necessary corporate action. This Settlement Agreement constitutes, and each of the Exhibits to which MasterCard is a party when executed and delivered by it will constitute, a valid and binding agreement of MasterCard, enforceable against MasterCard in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting or relating to creditors' rights generally and by general principles of equity.

8.1.1.2 Non-Contravention. The execution, delivery and performance by MasterCard of this Settlement Agreement and the Exhibits to which MasterCard is a party (a) do not and will not (i) violate the certificate of incorporation or by-laws of MasterCard, or (ii) require any consent that has not been given or other action that has not been taken by any Person under any instrument binding upon MasterCard, and (b) do not require any action by or filing with any domestic or foreign, federal, state or local governmental authority, department, court or agency.

8.1.1.3 Accounting Statement.

- (a) the Accounting Statement correctly sets forth the information required to be set forth therein by the terms of the definition of the term "Accounting Statement" in Section 1.1;
- (b) each entity identified in the Accounting Statement as an Eligible Issuer is an Eligible Issuer and no entity identified in the Accounting Statement as an Eligible Issuer is a Sponsored Issuer of any other entity identified in the Accounting Statement as an Eligible Issuer;
- (c) the Alerted-On Accounts constitute 8,843,029 unique MasterCard Accounts;
- (d) the Qualified Accounts constitute the same 8,843,029 unique MasterCard Accounts as the Alerted-On Accounts;
- (e) MasterCard has accurately determined, by applying the relevant MasterCard Operating Regulations in accordance with MasterCard's customary practices and procedures for interpreting and applying the relevant MasterCard Operating Regulations, that the maximum aggregate amount that MasterCard would award for Operating

Expense Recovery (as defined in the MasterCard Operating Regulations) attributable to the Target Intrusion is \$10,996,597.70 (the "Maximum Aggregate Operating Expense Recovery Amount");

- (f) MasterCard has accurately determined, by applying the relevant MasterCard Operating Regulations in accordance with MasterCard's customary practices and procedures for interpreting and applying the relevant MasterCard Operating Regulations, that the maximum aggregate amount that MasterCard would award for Fraud Recovery (as defined in the MasterCard Operating Regulations) attributable to the Target Intrusion is \$15,616,203.57 (the "Maximum Aggregate Fraud Recovery Amount" and, together with the Maximum Aggregate Operating Expense Recovery Amount, the "Maximum Aggregate Recovery Amount"); and
- (g) the calculations and the numbers set forth in the Accounting Statement accurately reflect the results of MasterCard having applied the relevant MasterCard Operating Regulations in accordance with MasterCard's customary practices and procedures for interpreting and applying the relevant MasterCard Operating Regulations in calculating the ADC Assessments.

8.1.2. Representations and Warranties of Target. Target hereby represents and warrants that:

8.1.2.1 Authorization. The execution, delivery and performance of this Settlement Agreement, including the Exhibits to which Target is a party, and the consummation by Target of the transactions contemplated hereby and thereby, are within its corporate powers and have been duly authorized by all necessary corporate action. This Settlement Agreement constitutes, and each of the Exhibits to which Target is a party when executed and delivered by it will constitute, a valid and binding agreement of Target, enforceable against Target in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting or relating to creditors' rights generally and by general principles of equity.

8.1.2.2 Non-Contravention. The execution, delivery and performance by Target of this Settlement Agreement and the Exhibits to which Target is a party (a) do not and will not (i) violate the certificate of incorporation or by-laws of Target, or (ii) require any consent that has not been given or other action that has not been taken by any Person under any instrument binding upon Target, and (b) do not require any action by or filing with any domestic or foreign, federal, state or local governmental authority, department, court or agency.

8.2. MasterCard Indemnification. MasterCard agrees to indemnify Target and the Target Acquirers and its and their respective Affiliated Persons against and shall hold each of them harmless from any and all damage, loss, liability, fines, penalties and expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a third-party claim or a claim solely between the parties hereto) incurred or suffered by Target or any of the Target Acquirers or any of its or their respective Affiliated Persons arising out of any misrepresentation or breach of warranty or breach of covenant or agreement made or to be performed by MasterCard pursuant to this Settlement Agreement.

8.3. Target Indemnification. Target agrees to indemnify MasterCard and its Affiliated Persons against and shall hold each of them harmless from any and all damage, loss, liability, fines, penalties and expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a third-party claim or a claim solely between the parties hereto) incurred or suffered by MasterCard or any of its Affiliated Persons arising out of any misrepresentation or breach of warranty or breach of covenant or agreement made or to be performed by Target pursuant to this Settlement Agreement.

9. MOST FAVORED NATION ADJUSTMENTS. The Final Settlement Amount that Target pays to MasterCard under this Settlement Agreement is subject to the following potential adjustments.

9.1. If the Consummation Date occurs and Target has consummated or subsequently consummates a settlement agreement with Visa, Inc. regarding the Target Intrusion (the "Visa Settlement"), where the Visa Percentage is more than 71.4%, Target shall, within five (5) Business Days of the later of the date of the consummation of the Visa Settlement or the Consummation Date, pay an amount to MasterCard (by federal wire transfer to a bank account specified by MasterCard on not less than two (2) Business Days advance written notice to Target) equal to the MFN Percentage Adjustment Value multiplied by the MFN Percentage Adjustment Base (the "MFN Percentage Amount"). MasterCard will, in turn, distribute to each Accepting Issuer and Partial Accepting Issuer a portion of the MFN Percentage Amount calculated as the percentage of the MFN Percentage Amount that the Issuer's ARA, in the case of an Accepting Issuer, or Adjusted ARA, in the case of a Partial Accepting Issuer, constituted of the Final Settlement Amount.

9.2. If the Consummation Date occurs and Target has consummated or subsequently consummates a Visa Settlement where the amount that Target agrees to pay that is allocable to the Non-VisaNet Accounts (the "Non-VisaNet Settlement Amount") exceeds the number of Non-VisaNet Accounts multiplied by \$1.78 (the "Non-VisaNet MFN Threshold"), Target shall, within five (5) Business Days of the later of the date of the consummation of the Visa Settlement or the Consummation Date, pay an amount to MasterCard (by federal wire transfer to a bank account specified by MasterCard on not less than two (2) Business Days advance written notice to Target) equal to the amount by which the Non-VisaNet Settlement Amount exceeds the Non-VisaNet MFN Threshold (the "Non-VisaNet MFN Amount"). MasterCard will, in turn, distribute to each Accepting Issuer and Partial Accepting Issuer a portion of the Non-VisaNet MFN Amount calculated as the

percentage of the Non-VisaNet MFN Amount that the Issuer's ARA, in the case of an Accepting Issuer, or Adjusted ARA, in the case of a Partial Accepting Issuer, constituted of the Final Settlement Amount.

9.3. Not more than three (3) Business Days after the Consummation Date or the consummation of a Visa Settlement (whichever is later), Target shall provide MasterCard with a written certificate stating whether a MFN Percentage Amount and/or a Non-VisaNet MFN Amount is due to MasterCard from Target by reason of such Visa Settlement pursuant to this Section 9 and, if so, what amount(s). Target's provision of said certificate shall constitute a representation and warranty by Target as to the accuracy of the information contained therein.

10. MISCELLANEOUS.

10.1. Notices. All notices, requests, demands, claims and other communications required or permitted to be delivered, given or otherwise provided under this Settlement Agreement must be in writing and must be delivered, given or otherwise provided:

- (a) by hand (in which case, it will be effective upon delivery);
- (b) by overnight delivery by a nationally recognized courier service (in which case, it will be effective on the Business Day after being deposited with such courier service); or
- (c) by electronic mail (in which case it will be effective on transmission to each representative of a party for whom an email address is listed below, unless the party making delivery is notified that it was not received by such a representative of the other party);

in each case, to the address (or e-mail address) listed below:

If to MasterCard, to it at:

MasterCard International Incorporated
2000 Purchase Street
Purchase, NY 10577
Tim_Murphy@mastercard.com
Attention: Timothy Murphy, Esq.

with a copy to:

MasterCard International Incorporated
2000 Purchase Street
Purchase, NY 10577
Marie_Russo@mastercard.com

Attention: Marie Russo

and

Golenbock Eiseman Assor Bell & Peskoe LLP
437 Madison Avenue
New York, New York 10022
MHyman@golenbock.com
Attention: Martin S. Hyman, Esq.

If to Target, to it at:

Target Corporation
1000 Nicollet Mall, TPS-2670
Minneapolis, Minnesota 55403
Tim.Baer@target.com
Attention: Tim Baer, Esq.

with a copy to:

Ropes & Gray LLP
800 Boylston Street
Prudential Tower
Boston, Massachusetts 02199
Douglas.Meal@ropesgray.com
Attention: Douglas H. Meal, Esq.

Each of the parties to this Settlement Agreement may specify a different address or facsimile number or email address by giving notice in accordance with this Section 10.1 to each of the other parties. Any party delivering, giving, or otherwise providing any notice pursuant to clause (c) above shall follow up such notice by delivering a hard copy of such notice to the other party pursuant to clause (a) or (b) above; provided, however, that the failure of such party to deliver such a follow-up hard copy to the other party shall not affect the effectiveness of the notice in question.

10.2. Succession and Assignment; No Third-Party Beneficiary. This Settlement Agreement will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns, each of which such successors and permitted assigns will be deemed to be a party for all purposes of this Settlement Agreement. No party may assign, delegate or otherwise transfer either this Settlement Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other party. This Settlement Agreement is for the sole benefit of the parties and nothing in this Settlement Agreement (whether expressed or implied) is intended to give or shall be construed to give any Person (including without limitation Covered Issuers), other than the parties, any legal or equitable rights in connection with this Settlement Agreement except that (i) the Target Acquirers and their Affiliated Persons and the Affiliated Persons of Target

are intended beneficiaries of the provisions of Section 6.2 (including Exhibit 6.2) and Section 8.2 to the extent of enforcing the release and covenant and indemnity provided to them in these sections, (ii) the Target Acquirers and their Affiliated Persons and the Affiliated Persons of Target are intended beneficiaries of the Standard Issuer Releases, Alternative Issuer Releases, and Partial Alternative Issuer Releases and Section 10.15 to the extent of enforcing the release and covenant not to sue and indemnity provided to them therein, (iii) the Target Acquirers and their Affiliated Persons and the Affiliated Persons of Target are, together with Target, intended beneficiaries of the representations and warranties made by MasterCard in Section 4.4, (iv) the Affiliated Persons of MasterCard are intended beneficiaries of the Standard Issuer Releases, Alternative Issuer Releases, and Partial Alternative Issuer Releases to the extent of enforcing the release and covenant not to sue and indemnity provided to them therein and the provisions of Section 8.3 to the extent of enforcing the release provided to them in the Target Release and the indemnity provided to them in Section 8.3, and (v) the MasterCard Released Parties (as that term is defined in the Target Release) are intended beneficiaries of such release to the extent of enforcing the release provided to them therein.

10.3. Amendments and Waivers. No amendment or waiver of any provision of this Settlement Agreement will be valid and binding unless it is in writing and signed, in the case of an amendment, by MasterCard and Target, or in the case of a waiver, by the party against whom the waiver is to be effective. No waiver by any party of any breach or violation of or default under or inaccuracy in any representation, warranty or covenant hereunder, whether intentional or not, will extend to any prior or subsequent breach or violation of, default under, or inaccuracy in, any such representation, warranty or covenant or affect in any way any rights arising by virtue of any such prior or subsequent occurrence. No waiver by any party of any condition to the consummation of the Settlement shall constitute a waiver by such party of any other right or remedy available to such party by reason of the circumstance causing the condition in question not to have been met. No delay or omission on the part of any party in exercising any right, power or remedy under this Settlement Agreement will operate as a waiver thereof.

10.4. Entire Agreement. This Settlement Agreement, together with any documents, instruments and certificates explicitly referred to herein, constitutes the entire agreement among the parties with respect to the subject matter of this Settlement Agreement and supersedes any and all prior discussions, negotiations, proposals, undertakings, understandings and agreements, whether written or oral, with respect such subject matter (other than the parties' existing confidentiality obligations to one another with respect to such subject matter).

10.5. Counterparts; Effectiveness. This Settlement Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute but one and the same instrument. A facsimile signature shall be deemed an original for purposes of this Settlement Agreement. This Settlement Agreement will become effective as of the date first written above when duly executed by each party hereto.

10.6. Non-Severability. The parties to this Settlement Agreement have negotiated the provisions of this Settlement Agreement as an integral whole and would not have entered into this Settlement Agreement if the provisions hereof had not been written as they appear herein. Accordingly, if at any time, whether before or after the Consummation Date, any term or provision of this Settlement Agreement or any document delivered pursuant to this Settlement Agreement should be held invalid or unenforceable by any court of competent jurisdiction, the parties intend that this Settlement Agreement may be terminated by either party by written notice to the other party referencing this Section 10.6 and delivered in accordance with Section 10.1, which notice shall have the same effect as if a termination notice pursuant to Section 7.2 had been delivered, as provided in Section 7.3, and that each party shall thereafter take such action as may be necessary to restore the other party to its position immediately prior to its execution of this Settlement Agreement.

10.7. Headings. The headings contained in this Settlement Agreement are for convenience purposes only and will not in any way affect the meaning or interpretation hereof.

10.8. Construction. The parties have participated jointly in the negotiation and drafting of this Settlement Agreement. In the event an ambiguity or question of intent or interpretation arises, this Settlement Agreement will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Settlement Agreement. The parties intend that each representation, warranty and covenant contained herein will have independent significance. If any party has breached or violated, or if there is an inaccuracy in, any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the party has not breached or violated, or in respect of which there is not an inaccuracy, will not detract from or mitigate the fact that the party has breached or violated, or there is an inaccuracy in, the first representation, warranty or covenant.

10.9. Survival of Covenants, Reliance, etc. All covenants, agreements, representations and warranties made in this Settlement Agreement shall survive the execution and delivery of this Settlement Agreement, the delivery of the other instruments referenced herein as Exhibits, and if it should occur, the Consummation Date, provided that representations and warranties shall not be required to be true and correct on and as of any date after the Consummation Date. No investigation made by any party and no knowledge of any breach of the other party obtained by any party or on its behalf shall impair the materiality or enforceability of any covenant, agreement, representation or warranty contained in this Settlement Agreement or the right of such party to rely upon each such covenant, agreement, representation and warranty notwithstanding such party's investigation or knowledge.

10.10. Governing Law. This Settlement Agreement, and the rights of the parties and all actions arising in whole or in part under it, will be governed by and construed in accordance with the domestic substantive laws of the State of New York, without giving

effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

10.11. Jurisdiction; Venue and Limitation on Actions; Service of Process.

10.11.1. Jurisdiction. Each party to this Settlement Agreement, by its execution hereof, (a) hereby irrevocably submits to the exclusive jurisdiction of the state courts located in the Borough of Manhattan of the State of New York and the United States District Court located in the Southern District of New York for the purpose of any action brought by a party against the other party arising in whole or in part under or in connection with this Settlement Agreement, (b) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such action brought in one of the above-named courts should be dismissed on grounds of forum non conveniens, should be transferred or removed to any court other than one of the above-named courts, or should be stayed by reason of the pendency of some other proceeding in any other court other than one of the above-named courts, or that this Settlement Agreement or the subject matter hereof may not be enforced in or by such court, and (c) hereby agrees not to commence any such action other than before one of the above-named courts. Notwithstanding the previous sentence a party may commence any action in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by one of the above-named courts.

10.11.2. Venue and Limitation on Actions. Each party agrees that for any action brought by a party against the other party arising in whole or in part under or in connection with this Settlement Agreement, such party may bring actions only in the state courts located in the Borough of Manhattan or in the United States District Court for the Southern District of New York. Each party further waives any claim and will not assert that venue should properly lie in any other location within the selected jurisdiction. Notwithstanding anything to the contrary in any otherwise applicable law or statute, no action arising in whole or in part under or in connection with this Settlement Agreement may be brought unless such action is commenced within two years after the accrual of the claim that is the basis for such action.

10.11.3. Service of Process. Each party hereby (a) consents to service of process in any action brought by a party against the other party arising in whole or in part under or in connection with this Settlement Agreement in any manner permitted by New York law, (b) agrees that service of process made in accordance with clause (a) or made by registered or certified mail, return receipt requested, at its address specified pursuant to Section 10.1, will constitute good and valid service of process in any such action and (c) waives and agrees not to assert (by way of motion, as a defense, or otherwise) in any such action any claim that service of process made in accordance with clause (a) or (b) does not constitute good and valid service of process.

10.11.4. Other Litigation. Nothing in Section 10.11 shall limit any right either party otherwise would have to assert a claim against the other party (whether as a

cross claim, third-party claim, counterclaim, or otherwise) in any action not initiated by the party asserting the claim.

10.12. Specific Performance. The parties will have such entitlement as may be provided under applicable law to seek and obtain an injunction or injunctions to prevent breaches or violations of the provisions of this Settlement Agreement and to enforce specifically this Settlement Agreement and the terms and provisions hereof in any action instituted in accordance with Section 10.11, in addition to any other remedy to which the parties may be entitled, at law or in equity.

10.13. Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, THE PARTIES HEREBY WAIVE, AND COVENANT THAT THEY WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS SETTLEMENT AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS SETTLEMENT AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE (A "COVERED ACTION"). THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE THEIR RIGHTS TO TRIAL BY JURY IN ANY COVERED ACTION AND TO HAVE ANY COVERED ACTION INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

10.14. No Admission of Liability. Neither this Settlement Agreement nor the AROs, nor any act performed or document executed pursuant to or in furtherance of this Settlement Agreement or the AROs: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity or lack thereof of any claim or right of recovery or cause of action against or by, or of any wrongdoing or liability of, either of the parties to this Settlement Agreement, the Target Acquirers or the Affiliated Persons of any of them; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of either of the parties to this Settlement Agreement, the Target Acquirers or the Affiliated Persons of any of them, in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. Either of the parties to this Settlement Agreement may file this Settlement Agreement, the Target Release, the MasterCard Release, the Standard Issuer Releases, the Alternative Issuer Releases, or Partial Alternative Issuer Releases in any action that may be brought against it in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

10.15. SEC Filings; Public Announcements. The parties agree that this Settlement Agreement may be filed by either of them with the Securities and Exchange Commission and each of the parties may also describe the terms of this Settlement Agreement in any report it files with the Securities and Exchange Commission to the extent

such party determines that the inclusion of a description of the terms of this Settlement Agreement is required by applicable securities laws or regulations or the rules of any stock exchange upon which such party's securities are traded, provided, however that information or documents relating to MasterCard Issuers, including but not limited to, the names of Eligible Issuers that accept or do not accept their AROs, the names of their Sponsored Issuers, or any other information that may lead to the disclosure or identification of a MasterCard Issuer, shall not be publicly disclosed by either party under any circumstances, except as required by law or as necessary to enforce this Settlement Agreement or any document delivered pursuant thereto, and except that either party may provide on a confidential basis to the Target Acquirers any document provided to such party by the other party pursuant to the terms and conditions of this Settlement Agreement. The parties further agree that their public announcement of this Settlement Agreement will be made by means of a press release by Target (in the form attached hereto as Exhibit 10.15A), publication of Frequently Asked Questions relating to this Settlement Agreement by Target (in the form attached hereto as Exhibit 10.15B), and by public disclosure by MasterCard (in the form attached hereto as Exhibit 10.15C).

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has executed this Settlement Agreement as an agreement under seal as of the date first above written.

MASTERCARD INTERNATIONAL
INCORPORATED

By: Eileen Simon
Name: Eileen Simon
Title: Chief Franchise Integrity Officer

TARGET CORPORATION

By: _____
Name: Timothy R. Baer
Title: Executive Vice President, Chief Legal
Officer and Corporate Secretary

IN WITNESS WHEREOF, each of the undersigned has executed this Settlement Agreement as an agreement under seal as of the date first above written.

MASTERCARD INTERNATIONAL
INCORPORATED

By: _____
Name: Eileen Simon
Title: Chief Franchise Integrity Officer

TARGET CORPORATION

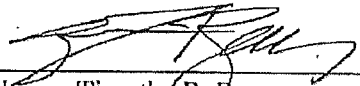
By:  _____
Name: Timothy R. Baer
Title: Executive Vice President, Chief Legal
Officer and Corporate Secretary

EXHIBIT 3

[ARO DATE]

Dear Target Impacted MasterCard Issuer:

On April 15, 2015, MasterCard International Incorporated ("MasterCard") and Target Corporation ("Target") entered into a Settlement Agreement ("Settlement Agreement") provisionally calling for a settlement ("Settlement") with regard to the Target Intrusion (Case Nos. ADC1904, ADC1924, and ADC1948, including all of their subparts). Click [here](#) to access the Settlement Agreement. The objective of the Settlement is to resolve claims between MasterCard and its issuers, on the one hand, and Target and its acquirers, on the other hand, relating to the Target Intrusion, including claims for fraud recovery and operating expenses incurred by MasterCard issuers as well as claims that might be asserted by MasterCard issuers in any litigation or other proceeding in connection with the Target Intrusion. Pursuant to the Settlement Agreement, Target has agreed to pay up to \$19,000,000 to resolve issuer claims relating to the Target Intrusion, plus the possibility of an upward adjustment if Target consummates a settlement with Visa, Inc. ("Visa") regarding the Target Intrusion on terms that trigger either or both of the Most Favored Nation Adjustments set forth in Section 9 of the Settlement Agreement.

This communication will summarize the principal components of the Settlement Agreement. You should, of course, read the Settlement Agreement in its entirety and feel free to ask questions. In this regard, please note that in the event of any inconsistency between this communication and the terms of the Settlement Agreement, the Settlement Agreement will control.

EXHIBIT 3Alternative Recovery Offers

In light of the magnitude and unique and complex nature of the Target Intrusion, MasterCard has been working on behalf of its issuers to achieve an appropriate resolution of, and obtain a prompt and certain recovery on, their claims in their capacity as an issuer of a “MasterCard payment card” (*i.e.*, MasterCard, MasterCard Electronic, or Debit MasterCard), a Maestro payment card, or a Cirrus payment card (a “MasterCard issuer”) arising from the Target Intrusion. Rule 2.1 of the MasterCard Rules provides that MasterCard “has the right, but not the obligation, to resolve any dispute between or among Customers including, but not limited to, any dispute involving [MasterCard], the Standards, or Customers’ respective Activities, and any such resolution by [MasterCard] is final and not subject to appeal, review, or other challenge.”

In furtherance of its efforts to achieve a resolution, MasterCard has reached an agreement with Target that would enable “eligible issuers” – that is MasterCard issuers that issued one or more of the accounts included in MasterCard’s calculation of maximum operating expense reimbursement and/or fraud recovery in connection with the Target Intrusion (where each such account was alerted on in connection with the Target Intrusion and is referred to herein as a “qualified account”) – to receive and decide upon an Alternative Recovery Offer (“ARO”). The ARO, which is attached to this communication, gives eligible issuers the option of electing to accept an Alternative Recovery Amount (“ARA”) in lieu of any other form of relief or recovery to which they might be entitled in their capacity as a MasterCard issuer by reason of the Target Intrusion. MasterCard recommends that each eligible issuer accept its ARO on behalf of itself and, where applicable, all “covered sponsored issuers” (as defined in the Settlement Agreement).

If, however, one or more of an eligible issuer’s covered sponsored issuers that have exclusive and independent control over their respective Bank Identification Numbers does not

EXHIBIT 3

wish to participate in the settlement (“non-accepting sponsored issuers”), the eligible issuer (a “partial accepting issuer”) and its covered sponsored issuers that are not non-accepting sponsored issuers (the “accepting sponsored issuers”) may still accept the portion of the eligible issuer’s ARO that is solely attributable to the partial accepting issuer and its accepting sponsored issuers. In that event, any non-accepting sponsored issuer will not release any rights it may have to any other form of relief or recovery relating to the Target Intrusion, and the partial accepting issuer’s ARA will be reduced by a percentage equal to the (i) the qualified accounts held by the partial accepting issuer’s non-accepting sponsored issuers, divided by (ii) the total number of qualified accounts attributable to the partial accepting issuer and its covered sponsored issuers, as set forth in the partial accepting issuer’s ARO.

Your ARO is attached to this email, including an Acceptance of ARO form (“Acceptance”) that you will be required to complete, execute and timely return in order to accept the ARO (in whole or in part). Accepting issuers may also receive a supplemental payment if Target later consummates a settlement with Visa where, as set forth in Section 9 of the Settlement Agreement, (i) the amount of the settlement allocable to accounts that Visa alerted on in connection with the Target Intrusion but that were not eligible for Visa’s Global Compromised Account Recovery (“GCAR”) program because they had not been authorized through VisaNet exceeds the number of such accounts multiplied by \$1.78; or (ii) the amount of the settlement allocable to all other accounts that Visa alerted on in connection with the Target Intrusion provides for an aggregate percentage recovery of the amount of the GCAR assessment that Visa issued on or about October 24, 2014 (prior to any appeal by Target or the Target Acquirers) that exceeds the percentage recovery of 71.4% provided for by this agreement.

EXHIBIT 3

The Settlement will become effective if, among other things, eligible issuers that submit to MasterCard fully completed and duly executed Acceptances not later than May 20, 2015 at 5:00 p.m. Eastern, together with their accepting sponsored issuers, issued at least 90% of all qualified accounts. Eligible issuers that accept an ARO will be notified if and when this Settlement contingency (and all other contingencies) have been met or waived. Eligible issuers who decline to “opt-in” to the Settlement and partial accepting issuers with respect to their non-accepting sponsored issuers will have their claims resolved by MasterCard pursuant to its internal processes, including disposition of the pending appeals filed by Target’s acquirers with respect to MasterCard’s award of operating expenses and fraud recovery with respect to the Target Intrusion, and any subsequent litigation if Target challenges the MasterCard’s determination regarding such appeals. In resolving any claim attributable to the qualified accounts of a non-accepting sponsored issuer, the maximum issuer operating expense reimbursement and fraud recovery award that MasterCard will award to the partial accepting issuer with respect to the accounts attributable to such non-accepting sponsored issuer will be capped at an amount equal to (i) the maximum operating expense reimbursement and fraud recovery award of the partial accepting issuer had such partial accepting issuer not accepted any portion of the ARO, multiplied by (ii) the percentage of qualified accounts set forth in such partial accepting issuer’s ARO that is attributable to the non-accepting sponsored issuer (the “partial accepting issuer award cap”).

MasterCard Recommendation

MasterCard believes that it would be in your interest to accept your ARO and therefore recommends that you do so. Assuming that the 90% threshold is met and certain other pre-consummation conditions are satisfied (or waived by MasterCard and Target), issuers that fully

EXHIBIT 3

accept their AROs will be assured of receiving the amounts reflected in their AROs promptly and issuers that partially accept their AROs will be assured of receiving their adjusted ARAs promptly (expected to be during the second quarter of 2015 in both cases), without the added costs, burdens, delays and uncertainties associated with potentially protracted litigation. In contrast, Target has indicated that, absent a settlement of the type proposed herein, it will continue to contest all fraud recovery and operating expense reimbursement awards, and it will continue to oppose the claims brought by the putative class action plaintiffs' claims in the multidistrict litigation captioned, *In re: Target Corporation Customer Data Security Breach Litigation*, MDL No. 14-2522 (PAM/JJK) pending in the United States District Court for the District of Minnesota (the "MDL"). If Target's acquiring banks prevail on their pending appeal with respect to MasterCard's assessment of operating expense reimbursement and fraud recovery with respect to the Target Intrusion, the amount of any award for fraud recovery and/or operating expense reimbursement could be reduced or even eliminated entirely. Further, if Target were to commence litigation following MasterCard's ruling on appeal, your receipt of any amount MasterCard might award to you could be significantly delayed (regardless of the ultimate outcome of the suit) and the amount of any such award, again, could be reduced or eliminated entirely. Similarly, any recovery that might be achieved through litigation in the MDL would likely take significantly longer than if you accept your AROs now.

The AROs reflect what MasterCard believes to be a reasonable resolution of your claims relating to the Target Intrusion. The Settlement Agreement ensures that all funds received from Target or Target's acquirers will be used to compensate issuers (in other words, no portion of the proceeds of this Settlement, should it be consummated, will be retained by MasterCard as a fee or otherwise), and also provides that the amounts to be paid to issuers under this Settlement

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could be adjusted upward if Target enters into a settlement agreement with Visa that triggers either of the supplemental payment provisions described above.

Ultimately, of course, the decision of whether to participate in this Settlement is left to each eligible issuer and, where applicable, each covered sponsored issuer.

Alternative Recovery Amounts

The amount offered under each ARO represents 71.4% of the *maximum issuer operating expense reimbursement and fraud recovery award* that MasterCard has determined each eligible issuer could be awarded under MasterCard's Standards. The maximum award amounts determined by MasterCard are set forth in each issuer's ARO and may not necessarily reflect what each issuer ultimately would be awarded following MasterCard's adjudication of the appeal filed by Target's acquirers and any subsequent litigation.

Alternative Recovery Offer Acceptance Instructions

Issuers wishing to accept their AROs must complete the steps described herein no later than 5:00 p.m. Eastern time on May 20, 2015 (as such date may be extended, "Acceptance Deadline"). MasterCard has established the Acceptance Deadline to ensure that issuer payments can be completed promptly if the Settlement is consummated. The Acceptance, including all Schedules thereto, must be completed and signed by a person who is authorized to bind not only the issuer receiving the ARO ("eligible issuer"), but also all of the issuer's covered sponsored issuers that have elected to "opt-in" to the Settlement. *Please note that an eligible issuer's sponsored issuers will be assumed to be covered sponsored issuers unless an eligible issuer specifically identifies which of its sponsored issuers are not covered sponsored issuers (if any) on the appropriate Schedule(s) of the Acceptance. Please further note that an eligible issuer with non-accepting sponsored issuers must identify (list) all of its non-accepting sponsored*

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issuers as well as the number of qualified accounts issued by each such non-accepting issuer on the appropriate Schedule of the Acceptance. Acceptances received after the Acceptance Deadline will not be valid. In order for an Acceptance to be considered timely received, two original fully-completed and duly executed Acceptances, including all Schedules thereto, must be sent by overnight mail, next business day delivery, to:

MasterCard International Incorporated
2000 Purchase Street
Purchase, NY 10577
Attn: Marie Russo

so as to be received no later than the Acceptance Deadline, and a PDF email of the fully-completed and duly executed Acceptance, including all Schedules thereto, should be sent to adc_settlement@mastercard.com at or before the Acceptance Deadline.

Required Waiver and Release for Acceptance

Eligible issuers wishing to accept their AROs on behalf of themselves and, where applicable, on behalf of all or some of their covered sponsored issuers must waive their and all their accepting sponsored issuers' rights to receive any other form of recovery under MasterCard Rules based on the Target Intrusion, with the exception of any such right to recovery that any accepting sponsored issuer of the eligible issuer may have with respect to qualified accounts, if any, that the accepting sponsored issuer issued under the MasterCard ICA of a different eligible issuer. Eligible issuers must release all claims in their capacity as MasterCard issuers against Target, its acquirers, and MasterCard related to the Target Intrusion, including claims that are being or could be asserted in pending class action litigations, including *In re: Target Corporation Customer Data Security Breach Litigation*, MDL No. 14-2522 (PAM/JJK) pending in the United States District Court for the District of Minnesota, except for any claims that any accepting sponsored issuer of the eligible issuer may have with respect to qualified accounts, if

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any, that the accepting sponsored issuer issued under the MasterCard ICA of a different eligible issuer. Click [here](#) to access a copy of the Consolidated Class Action Complaint for the Financial Institution Cases of *In re: Target Corporation Customer Data Security Breach Litigation* and a description of the pending class action.

The waivers and releases in the Acceptances will become effective only if the Settlement is consummated, as provided in the Settlement Agreement.

Risks of Required Waiver and Release

If the Settlement Agreement is consummated, any issuer that accepts the ARO will:

- Give up its and its accepting sponsored issuers' rights to obtain any other recoveries based on the Target Intrusion under the MasterCard Standards, which recoveries theoretically could exceed the eligible issuer's ARA.
- Give up its and its accepting sponsored issuers' rights to participate in, or recover amounts in, the putative financial institution class actions described above or any other litigation or proceeding relative to the Target Intrusion.

Please note that accepting sponsored issuers will give up all such rights listed above, whether or not they are covered sponsored issuers of any other eligible issuer that does not accept the settlement on their behalf, with the exception of any such rights that an accepting sponsored issuer may have with respect to qualified accounts, if any, that the accepting sponsored issuer issued under the MasterCard ICA of an eligible issuer that did not accept the settlement on the accepting sponsored issuer's behalf.

Non-Participating Issuers

If an eligible issuer does not complete the steps to accept its ARO by the Acceptance Deadline, that issuer will be deemed to have opted out of the Settlement and will not be entitled to accept its ARO. Non-accepting issuers, as well as partial accepting issuers with respect to their non-accepting sponsored issuers, will reserve their ability to receive whatever recovery

EXHIBIT 3

MasterCard determines they are entitled to for operating expense reimbursement and fraud recovery under the MasterCard Standards, subject to Target's appeal and any subsequent litigation regarding such determination. The recovery for partial accepting issuers with respect to their non-accepting sponsored issuers will also be subject to the partial accepting issuer award cap, as set forth above.

Issuers who choose not to accept their AROs (again, please note that an issuer's failure to timely and properly submit its Acceptance will be deemed a non-acceptance or "opt-out") could receive awards for issuer operating expense reimbursement and fraud recovery that are less than their ARAs depending on a variety of factors, including, but not limited to, MasterCard's final adjudication of the claims, including a decision on Target's acquirers' appeal, and the outcome of litigation. The same holds true with respect to awards attributable to non-accepting sponsored issuers, as compared to the portion of a partial accepting issuer's ARA that was attributable to such non-accepting sponsored issuers. In this regard, under the terms of the Settlement Agreement, Target and its acquirers are permitted to challenge any award to non-accepting issuers and any award to partial accepting issuers with respect to their non-accepting sponsored issuers. In the event of an unresolved challenge, MasterCard will make no distribution of the amount of the challenged award until the challenge is fully and finally adjudicated in a court of law. MasterCard is unable to predict when such challenges by Target or its acquirers would be finally resolved or whether such awards would be upheld, in whole or in part, by the courts.

Questions/Contacts

If you have questions about the Settlement Agreement or the ARO process, please e-mail us at adc_settlement@mastercard.com. If you wish to speak with us regarding your ARO, please

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be sure to include a phone number (including country code and area code). A MasterCard Team member will contact you as soon as possible.

EXHIBIT A to EXHIBIT 3Standard Acceptance of ARO

[Name of accepting MasterCard issuer] (the “Issuer”), on its own behalf and on behalf of each of the Covered Sponsored Issuers listed on Schedule I attached to this acceptance, hereby irrevocably accepts the ARO contained in the communication from MasterCard International Incorporated (“MasterCard”) dated [ARO DATE], which communication in turn references the Settlement Agreement dated April 15, 2015 (the “Settlement Agreement”) between MasterCard and Target Corporation (“Target”), a copy of which has been provided to the Issuer by MasterCard. Capitalized terms not otherwise defined herein shall have the same meanings as in the Settlement Agreement.

The Issuer represents and warrants that (i) this acceptance has been duly authorized, executed and delivered by the Issuer, (ii) Schedule I hereto contains a complete and accurate list of the Issuer’s Sponsored Issuers, and the Issuer has accurately identified on Schedule I hereto which of its Sponsored Issuers are Covered Sponsored Issuers, (iii) the Issuer is authorized to execute and deliver this acceptance on behalf of its Covered Sponsored Issuers (such Covered Sponsored Issuers being defined as the Issuer’s “Accepting Sponsored Issuers”), (iv) the Qualified Accounts of the Issuer and its Accepting Sponsored Issuers constitute **[MasterCard to fill in the number of Issuer’s Qualified Accounts as shown on the Accounting Statement]** unique MasterCard Accounts; (v) none of the Qualified Accounts of the Issuer and its Accepting Sponsored Issuers were issued by any of the Issuer’s Sponsored Issuers other than the Issuer’s Accepting Sponsored Issuers; and (vi) no assignment to another Person has been made of, and no other Person has become subrogated to or otherwise acquired any interest in any right or claim of the Issuer or any of its Accepting Sponsored Issuers that is, was, or otherwise would be a Released Issuer Claim.

This acceptance shall become effective when, and only if, the Consummation Date has occurred. Subject to this acceptance having become effective, the Issuer, on its own behalf and on behalf its Affiliated Persons, and on behalf of its Accepting Sponsored Issuers and their Affiliated Persons, irrevocably waives any right to assert against MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them (collectively, the “Releasees”), and fully and finally releases the Releasees from, the following (collectively, the “Released Issuer Claims”):

(a) any claim or right of recovery the Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might otherwise have had under the MasterCard Operating Regulations (whether under the compliance rules contained in said Regulations, the operating expense reimbursement rules contained in said Regulations, the fraud recovery rules contained in said Regulations or otherwise) by reason of any matter, occurrence, or event pertaining to the Target Intrusion,

(b) any dispute or objection the Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might otherwise be entitled to raise or make with respect to the amount or the calculation of the amount by MasterCard of the Issuer’s ARA as shown in the ARO, and

EXHIBIT A to EXHIBIT 3

(c) any claim or right the Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might be entitled to assert, and any monetary recovery or other relief that the Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons might be entitled to seek or receive in any litigation or other proceeding, whether currently pending, hereafter commenced, or hereafter amended (including without limitation the pending putative class action proceedings consolidated under the caption entitled *In re: Target Corporation Customer Data Security Breach Litigation*, MDL No. 14-2522 (PAM/JJK) pending in the United States District Court for the District of Minnesota), under any applicable laws, rules or regulations, in connection with any injury or harm the Issuer, its Affiliated Persons, or any of its Accepting Sponsored Issuers or any of their Affiliated Persons may have incurred in its capacity as a MasterCard Issuer by reason of any matter, occurrence, or event pertaining to the Target Intrusion (whether or not such matter, occurrence, or event is known to the Issuer as of this date).

Notwithstanding anything to the contrary in the preceding sentence, the Released Issuer Claims shall not include, and shall not be interpreted to affect, any claim or right of recovery that any Accepting Sponsored Issuer of the Issuer may have with respect to Qualified Accounts, if any, that the Accepting Sponsored Issuer in question issued under the MasterCard ICA of an Eligible Issuer other than the Issuer.

Subject to this acceptance having become effective, the Issuer covenants and agrees that neither it nor any of its Accepting Sponsored Issuers nor any of its or their respective Affiliated Persons will assert any of the Released Issuer Claims against, or otherwise seek to obtain any monetary recovery or other relief by reason of any of the Released Issuer Claims from, MasterCard or Target or any of the Target Acquirers or any of the Affiliated Persons of each of them.

Subject to this acceptance having become effective, the Issuer agrees to indemnify Target and the Target Acquirers and its or their respective Affiliated Persons against and shall hold each of them harmless from any and all damage, loss, liability, fines, penalties and expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a third-party claim or a claim solely between the parties hereto) incurred or suffered by Target or any of the Target Acquirers or any of its or their respective Affiliated Persons arising out of any misrepresentation or breach of warranty made by the Issuer in this acceptance or any breach of any covenant or agreement made or to be performed by the Issuer or any of its Accepting Sponsored Issuers or any of its or their respective Affiliated Persons pursuant to this acceptance.

This acceptance, the rights of any person or entity hereunder, and any action arising hereunder, will be governed by and construed in accordance with the substantive laws of the State of New York, without giving effect to any choice or conflict of law provision that would cause the application of the laws of any other jurisdiction.

Dated: [____], 2015

EXHIBIT A to EXHIBIT 3

[Name of Accepting MasterCard Issuer]

By: _____

[MasterCard to list names of Issuer's Sponsored Issuers; Issuer to identify which of its Sponsored Issuers are Covered Sponsored Issuers]

[illegible]

EXHIBIT B to EXHIBIT 3Alternative Acceptance of ARO

[Name of accepting MasterCard issuer] (the "Issuer"), on its own behalf and on behalf of each of its Accepting Sponsored Issuers, as defined below, hereby irrevocably accepts the ARO contained in the communication from MasterCard International Incorporated ("MasterCard") dated [ARO DATE], which communication in turn references the Settlement Agreement dated April 15, 2015 (the "Settlement Agreement") between MasterCard and Target Corporation ("Target"), a copy of which has been provided to the Issuer by MasterCard. Capitalized terms not otherwise defined herein shall have the same meanings as in the Settlement Agreement.

The Issuer represents and warrants that (i) this acceptance has been duly authorized, executed and delivered by the Issuer, (ii) Schedule I hereto contains a complete and accurate list of the Issuer's Non-Independent Sponsored Issuers and Independent Sponsored Issuers, and the Issuer has accurately identified on Schedule I hereto which of its Non-Independent Sponsored Issuers and Independent Sponsored Issuers are Covered Sponsored Issuers, (iii) the Issuer has accurately identified on Schedule II hereto which, if any, of its Independent Sponsored Issuers are "Non-Accepting Sponsored Issuers" (such term being defined as those of the Issuer's Independent Sponsored Issuers that are Covered Sponsored Issuers and that have not authorized the Issuer to accept the Issuer's ARO on their behalf), (iv) the Issuer is authorized to execute and deliver this acceptance on behalf of its Covered Sponsored Issuers that are not identified on Schedule II hereto as Non-Accepting Sponsored Issuers (such Covered Sponsored Issuers being defined as the Issuer's "Accepting Sponsored Issuers"), (v) the Qualified Accounts of the Issuer and its Accepting Sponsored Issuers constitute [**MasterCard/Issuer to fill in the number of Issuer's Qualified Accounts as shown on the Accounting Statement**] unique MasterCard Accounts; (vi) none of the Qualified Accounts of the Issuer and its Accepting Sponsored Issuers were issued by any of the Issuer's Sponsored Issuers other than the Issuer's Accepting Sponsored Issuers; (vii) no assignment to another Person has been made of, and no other Person has become subrogated to or otherwise acquired any interest in any right or claim of the Issuer or any of its Accepting Sponsored Issuers that is, was, or otherwise would be a Released Issuer Claim; (viii) the Qualified Accounts of any Non-Accepting Sponsored Issuers constitute [**Issuer to fill in the number of Issuer's Non-Accepting Sponsored Issuers' Qualified Accounts**] unique MasterCard Accounts; (ix) Schedule II hereto contains a complete and accurate list of the number of Qualified Accounts issued by each such Non-Accepting Sponsored Issuer.

This acceptance shall become effective when, and only if, the Consummation Date has occurred. Subject to this acceptance having become effective, the Issuer, on its own behalf and on behalf of each of its Accepting Sponsored Issuers, and on behalf of its and their Affiliated Persons, irrevocably waives any right to assert against MasterCard, Target, the Target Acquirers, and the Affiliated Persons of each of them (collectively, the "Releasees"), and fully and finally releases the Releasees from, the following (collectively, the "Released Issuer Claims"):

(a) any claim or right of recovery the Issuer or any of its Accepting Sponsored Issuers or any of its or their Affiliated Persons might otherwise have had under the MasterCard Operating Regulations (whether under the compliance rules contained in said Regulations, the operating expense reimbursement rules contained in said Regulations, the fraud recovery rules

EXHIBIT B to EXHIBIT 3

contained in said Regulations or otherwise) by reason of any matter, occurrence, or event pertaining to the Target Intrusion,

(b) any dispute or objection the Issuer or any of its Accepting Sponsored Issuers or any of its or their Affiliated Persons might otherwise be entitled to raise or make with respect to the amount or the calculation of the amount by MasterCard of the Issuer's ARA as shown in the ARO, and

(c) any claim or right the Issuer or its Accepting Sponsored Issuers or any of its or their Affiliated Persons might be entitled to assert, and any monetary recovery or other relief that the Issuer or its Accepting Sponsored Issuers or any of its or their Affiliated Persons might be entitled to seek or receive in any litigation or other proceeding, whether currently pending, hereafter commenced, or hereafter amended (including without limitation the pending putative class action proceedings consolidated under the caption entitled *In re: Target Corporation Customer Data Security Breach Litigation*, MDL No. 14-2522 (PAM/JJK) pending in the United States District Court for the District of Minnesota), under any applicable laws, rules or regulations, in connection with any injury or harm the Issuer or its Accepting Sponsored Issuers or any of its or their Affiliated Persons may have incurred in its capacity as a MasterCard Issuer by reason of any matter, occurrence, or event pertaining to the Target Intrusion (whether or not such matter, occurrence, or event is known to the Issuer as of this date).

Notwithstanding anything to the contrary in the preceding sentence, the Released Issuer Claims shall not include, and shall not be interpreted to affect, any claim or right of recovery that any Accepting Sponsored Issuer of the Issuer may have with respect to Qualified Accounts, if any, that the Accepting Sponsored Issuer in question issued under the MasterCard ICA of an Eligible Issuer other than the Issuer.

Subject to this acceptance having become effective, the Issuer covenants and agrees that neither it nor any of its Accepting Sponsored Issuers nor any of its or their respective Affiliated Persons will assert any of the Released Issuer Claims against, or otherwise seek to obtain any monetary recovery or other relief by reason of any of the Released Issuer Claims from, MasterCard or Target or any of the Target Acquirers or any of the Affiliated Persons of each of them.

Subject to this acceptance having become effective, the Issuer agrees to indemnify Target and the Target Acquirers and its or their respective Affiliated Persons against and shall hold each of them harmless from any and all damage, loss, liability, fines, penalties and expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a third-party claim or a claim solely between the parties hereto) incurred or suffered by Target or any of the Target Acquirers or any of its or their respective Affiliated Persons arising out of any misrepresentation or breach of warranty made by the Issuer in this acceptance or any breach of any covenant or agreement made or to be performed by the Issuer or any of its Accepting Sponsored Issuers or any of its or their respective Affiliated Persons pursuant to this acceptance.

This acceptance, the rights of any person or entity hereunder, and any action arising hereunder, will be governed by and construed in accordance with the substantive laws of the

EXHIBIT B to EXHIBIT 3

State of New York, without giving effect to any choice or conflict of law provision that would cause the application of the laws of any other jurisdiction.

Dated: [____], 2015

[Name of MasterCard Issuer]

By: _____

EXHIBIT B to EXHIBIT 3

Schedule I

[MasterCard to list names of Issuer's Non-Independent Sponsored Issuers and Independent Sponsored Issuers; Issuer to identify which of such Sponsored Issuers are Covered Sponsored Issuers]

Schedule I	
	Issuer
<p>Place an X next to any Non-Independent Sponsored Issuer that is not a Covered Sponsored Issuer (i.e., a Sponsored Issuer that did not issue any of the Issuer's Qualified Accounts)</p> <p>Please note that all Non-Independent Sponsored Issuers will be assumed to be Covered Sponsored Issuers that are automatically covered by the ARA unless you indicate otherwise by placing an X next to one or more of such Sponsored Issuers in this Schedule I</p>	<p>Non-Independent Sponsored Issuers of the Issuer</p>
<p>Place an X next to any Independent Sponsored Issuer that is not a Covered Sponsored Issuer (i.e., a Sponsored Issuer that did not issue any of the Issuer's Qualified Accounts)</p> <p>Please note that all Independent Sponsored Issuers will be assumed to be Covered Sponsored Issuers that are automatically covered by the ARA unless you indicate otherwise by placing an X next to one or more of such Sponsored Issuers in this Schedule I</p>	<p>Independent Sponsored Issuers of the Issuer</p>

EXHIBIT B to EXHIBIT 3

Schedule II

[Issuer to List Names of the Issuer's Independent Sponsored Issuers That (a) are Covered Sponsored Issuers and (b) Have Not Authorized the Issuer to Accept the Issuer's ARO on Their Behalf, and the number of Qualified Accounts issued by each such Independent Sponsored Issuer]

Schedule II:	Issuer
	Independent Sponsored Issuers that have not authorized the Issuer to accept the Issuer's Alternative Recovery Offer on their behalf (each a "Non-Accepting Sponsored Issuer")
Number Of Qualified Accounts Issued By Each Non-Accepting Sponsored Issuer	Please note that only Independent Sponsored Issuers that are Covered Sponsored Issuers, as designated on Schedule I, are eligible for inclusion on this Schedule II

EXHIBIT C to EXHIBIT 3

ARO

ICA: xxxx
Name: [Bank]

Summary:

Please refer to the Settlement Agreement dated April 15, 2015, between MasterCard International Incorporated ("MasterCard") and Target Corporation ("Target"), a copy of which is incorporated in the MasterCard communication dated [ARO DATE]. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Settlement Agreement.

The MasterCard issuer(s) having the above ICA(s) and its/their Sponsored Issuers (collectively "[Bank]") had [# of alerted on cards] Alerted-On Accounts in connection with the Target Intrusion, each of which is a Qualified Account. MasterCard has determined [Bank's] Maximum Issuer Recovery Amount as set forth below and, subject to the contingencies described in the Settlement Agreement, makes [Bank] the following ARO:

Results of MasterCard's Determination of Maximum Issuer Recovery Amount:

[Bank's] Maximum Issuer Operating Expense Recovery Amount is:

Total: [Bank's Maximum Issuer Operating Expense Recovery Amount]

[Bank's] Maximum Issuer Fraud Recovery Amount is:

Total: [Bank's Maximum Issuer Fraud Recovery Amount]

ARO:

Under [Bank's] ARO, the TOTAL ARA for the MasterCard issuer(s) having the above ICA(s) and its/their Sponsored Issuers is 71.4% of the sum of [Bank's] Maximum Issuer Operating Expense Recovery Amount and [Bank's] Maximum Issuer Fraud Recovery Amount, which is:

TOTAL: [Bank's ARA]

EXHIBIT D to EXHIBIT 3Information Regarding Putative Class Action Proceeding

On April 2, 2014, the United States Judicial Panel on Multidistrict Litigation entered an Order in MDL No. 14-2522, *In re: Target Corporation Customer Data Security Breach Litigation*, to transfer all actions related to the Target Intrusion, pending in various different federal district courts, to the United States District Court for the District of Minnesota for coordinated or consolidated pretrial proceedings. On May 15, 2014, the transferee District Court in the District of Minnesota (the "Court") entered a case management Order separating the plaintiffs into three groups: the consumer cases, financial institution cases (the "Financial Institution Track"), and shareholder derivative cases. The Financial Institution Track includes all those cases brought by banks, credit unions, and other financial institutions seeking to recover damages allegedly caused by the Target Intrusion. The Court appointed Karl C. Cambronne of Chestnut Cambronne PA as Coordinating Lead Counsel over the litigation as a whole and Charles S. Zimmerman of Zimmerman Reed, PLLP, as Lead Counsel for the Financial Institution Track.

The Consolidated Class Action Complaint for the Financial Institution Track, which incorporated claims from various of the transferred cases, was filed on August 1, 2014 ("FI Complaint"). The FI Complaint purports to represent a nationwide class of "[f]inancial institutions—including, but not limited to, banks and credit unions—in the United States (including its Territories and the District of Columbia) that issue payment cards, including credit and debit cards, or perform, facilitate, or support card issuing services, whose customers made purchases from Target stores from November 1, 2013 to December 19, 2013."

The FI Complaint asserts counts for negligence, violation of the Minnesota Plastic Card Security Act, negligence per se (based on the alleged violation of the Minnesota Plastic Card Security Act), and negligent misrepresentation by omission. The FI Complaint seeks to recover monetary damages, including for the costs associated with re-issuing and monitoring payments cards and for unauthorized transactions on the compromised cards, and also seeks injunctive relief and attorney's fees and costs allowable by law.

On September 2, 2014, after the FI Complaint was filed, Target filed a motion to dismiss the FI Complaint in its entirety with prejudice. Briefing on the motion to dismiss concluded on October 22, 2014, and a motions hearing was held on November 21, 2014. On December 2, 2014, the Court issued an order granting Target's motion to dismiss without prejudice with respect to the negligent misrepresentation by omission claim and denying Target's motion to dismiss the FI Complaint with respect to the counts for negligence, violation of the Minnesota Plastic Card Security Act, and negligence per se. On December 10, 2013, Attorney Zimmerman and counsel for Target filed a stipulation with the Court, which stated that the Plaintiffs in the Financial Institution Track did not intend to replead their negligent misrepresentation by omission claim. Discovery on the remaining claims is ongoing. Motions for class certification and summary judgment have not yet been filed. Target has stated that it intends to defend the action vigorously.

Any issuer that accepts the optional Alternative Recovery Offer will waive and release any right such issuer would otherwise have had to obtain any recovery from Target, Bank of America and Fifth Third Bank by reason of the Target Intrusion from or in either

EXHIBIT D to EXHIBIT 3

the putative Financial Institution Track class action litigation described above or any other litigation or other proceeding.

EXHIBIT 6.1**Target's and the Target Acquirers' Release of MasterCard Relating to the Target Intrusion**

Target Corporation ("Target") and Bank of America and Fifth Third Bank, in their capacities as acquiring banks for Target in the MasterCard payment card network (the "Target Acquirers") hereby grant the full, complete and final release, discharge, and covenant not to sue set forth in detail below, on their own behalf and, to the extent any of the following persons or entities purports to assert any Claim(s) (as defined below) of Target or the Target Acquirers, on behalf of each of their past, present and future representatives, attorneys, associates, parents, subsidiaries, affiliates, agents, assigns, insurers, administrators, trustees, officers, directors, employees, retained contractors, predecessors, successors, and any other person or entity claiming on behalf of either of them. Capitalized terms not otherwise defined herein have the meanings set forth in the Settlement Agreement dated April 15, 2015 between MasterCard International Incorporated ("MasterCard") and Target, to which this release is an exhibit (the "Settlement Agreement").

For purposes of this release, the "MasterCard Released Parties" are MasterCard, MasterCard Worldwide, MasterCard Issuers that validly and timely accept their AROs and those of their Covered Sponsored Issuers that are not Non-Accepting Sponsored Issuers (such MasterCard Issuers and their Covered Sponsored Issuers being defined collectively as the "Released MasterCard Issuers"), and (in their capacities as such) MasterCard's and any such Released MasterCard Issuer's past, present, and future representatives, attorneys, agents, accountants, assigns, insurers, administrators, officers, directors, trustees, employees, retained contractors, parents, affiliates, subsidiaries, predecessors, successors, and any other person or entity acting on behalf of any of them; provided, however, that the MasterCard Released Parties do not include (i) MasterCard Issuers that are not eligible to receive, or that do not validly and timely accept their, AROs, or (ii) any Sponsored Issuer that is not a Covered Sponsored Issuer of a MasterCard Issuer that timely and validly accepted its ARO, or (iii) any Non-Accepting Sponsored Issuer (the issuers described in clauses (i), (ii), and (iii) of this sentence being defined herein as the "Non-Released MasterCard Issuers").

For purposes of this release, the term "Claims" shall mean any and all claims, causes of action, suits at law or in equity, assertions of wrongdoing or fault, liabilities, awards, judgments, demands, debts, defenses, losses and expenses, damages, obligations, attorney fees, costs and/or sanctions, of whatever kind or nature, whether now known or unknown, suspected or unsuspected, liquidated or unliquidated, matured or unmatured, including even those Claims that, if known as of the date of this release, may have materially affected Target's decision to agree to the settlement reflected in the Settlement Agreement or Target and the Target Acquirers' decision to grant this release.

By this release, Target and the Target Acquirers release the MasterCard Released Parties from any and all Claims that Target and the Target Acquirers ever had, now have, or may have in the future against MasterCard, or any of the other MasterCard Released Parties in their capacities as such, by reason of any act, omission or occurrence before the date hereof on the part of MasterCard or any Released MasterCard Issuer related to the Target Intrusion, whether those Claims are (a) affirmatively made against MasterCard or a Released MasterCard Issuer, (b) made as a defense to any acts or omissions by MasterCard or a Released MasterCard Issuer

EXHIBIT 6.1

relating to MasterCard's Operating Regulations, or (c) assertions of MasterCard's or a Released MasterCard Issuer's fault as a defense to allegations by a third party, including but not limited to MasterCard Issuers (all the Claims described in this sentence as having been released being defined herein as the "Released Claims").

Notwithstanding anything to the contrary in the preceding paragraphs, the Released Claims do not include (i) any objection, dispute, or Claim that Target or the Target Acquirers might otherwise be entitled to assert with respect to (A) ADC Fraud Recovery and/or ADC Operational Reimbursement with respect to the Target Intrusion for a Non-Released MasterCard Issuer (in the case of a Non-Released MasterCard Issuer that did not validly and timely accept its ARO) or for a Partial Accepting Issuer solely with respect to its Non-Accepting Qualified Accounts, in the event and only in the event Target has timely made a Challenge Declaration as to the ADC Fraud Recovery and/or ADC Operational Reimbursement in question, or ADC Fraud Recovery and/or ADC Operational Reimbursement with respect to the Target Intrusion for any MasterCard Issuer where the ADC Fraud Recovery or ADC Operational Reimbursement was assessed *after the date of the Settlement Agreement*, or (B) any ruling made by MasterCard with respect to any such ADC Fraud Recovery and/or ADC Operational Reimbursement described in clause (i)(A) of this sentence; (ii) any right Target or the Target Acquirers otherwise would have to assert or seek to establish, as a defense to any claim asserted against it by a MasterCard Issuer in litigation or otherwise, the facts or results of any actions or inactions involving MasterCard or a Released MasterCard Issuer, provided that Target or the Target Acquirers do not seek to establish that any such actions or inactions, or the results thereof, constituted legal wrongdoing on MasterCard's or a Released MasterCard Issuer's part or created legal liability on MasterCard's or a Released MasterCard Issuer's part; (iii) any Claim that Bank of America or Fifth Third Bank may have in their capacities as issuing banks in the MasterCard payment card network; or (iv) any of the rights and obligations created by or under the Settlement Agreement or any Claim arising under or based upon any such rights and obligations.

This release, the rights of any person or entity hereunder, and any action arising hereunder, will be governed by and construed in accordance with the substantive laws of the State of New York, without giving effect to any choice or conflict of law provision that would cause the application of the laws of any other jurisdiction.

Dated: _____, 2015

On behalf of Target Corporation

By: Officer's Signature

Officer's Name and Title

Dated: _____, 2015

On behalf of Bank of America

By: Officer's Signature

Officer's Name and Title

Dated: _____, 2015

On behalf of Fifth Third Bank

By: Officer's Signature

Officer's Name and Title

EXHIBIT 6.2MasterCard Release

MasterCard International Incorporated ("MasterCard") hereby grants the full, complete and final release, discharge, and covenant not to sue set forth in detail below. Capitalized terms not otherwise defined herein have the meanings set forth in the Settlement Agreement dated April 15, 2015 between MasterCard and Target Corporation ("Target"), to which this release is an exhibit (the "Settlement Agreement").

MasterCard hereby agrees that no non-compliance assessments or case management fees will be imposed or collected and no changes in interchange fee rates will be imposed by MasterCard or any of its Affiliated Persons based upon or in connection with the Target Intrusion, and MasterCard hereby releases and agrees that neither it nor any of its Affiliated Persons will assert any claim, demand, cause of action, amount, or assessment of any kind (including any claim or assessment seeking to recover any amount that MasterCard or any of its Affiliated Persons may award or allow on, or otherwise asserting any rights or obligations or demanding any payment in connection with or by reason of, any claim heretofore or hereafter asserted under the MasterCard Operating Regulations by or on behalf of any MasterCard Issuer, whether or not such MasterCard Issuer receives or accepts an ARO) that otherwise might be asserted by MasterCard or any of its Affiliated Persons against Target or the Target Acquirers or any of its or their Affiliated Persons (a) with respect to the Target Intrusion (whether or not such claim or assessment or the facts, events, or occurrences giving rise thereto were known, suspected, or anticipated by MasterCard as of the date of this Settlement Agreement and may have materially affected MasterCard's decision to agree to this Settlement Agreement if known) or (b) by reason of any alleged non-compliance by Target or the Target Acquirers or any of its or their Affiliated Persons with any of the data security requirements of the MasterCard Operating Regulations on or before the date of this Settlement Agreement (an "Alleged Non-Compliance") to the extent such Alleged Non-Compliance relates to the Target Intrusion (whether or not such Alleged Non-Compliance was known, suspected or anticipated by MasterCard as of the date of this Settlement Agreement and may have materially affected MasterCard's decision to agree to this Settlement Agreement if known) or was known to MasterCard as of the date of this Settlement Agreement or had been disclosed in one of the Reports on Compliance (whether or not such Alleged Non-Compliance relates to the Target Intrusion). The release and covenant provided by MasterCard in the preceding sentence shall not be interpreted to extend to any claim or assessment seeking to recover or collect the amount (but no more than the amount) of any Non-Accepting Issuer Award that is a Challenged Award, and the release and covenant provided by MasterCard in clause (b) of the preceding sentence shall not be interpreted to extend to any claim or assessment by MasterCard (i) where an Alleged Non-Compliance is alleged to have continued after the date of this Settlement Agreement and such claim or assessment is asserted or imposed with respect to that portion of the Alleged Non-Compliance that is alleged to have occurred or continued after the date of this Settlement Agreement, (ii) where an Alleged Non-Compliance is alleged to have resulted in an actual or possible account data compromise event and such alleged account data compromise event was not known to MasterCard as of the date of this Settlement Agreement and such claim or assessment is asserted or imposed with respect to such account data compromise event, (iii) where such claim or assessment is the return of a transaction by a MasterCard Issuer to an Target Acquirer as a chargeback pursuant to the MasterCard *Chargeback Guide*, or (iv) where such claim or assessment is based upon an Alleged

EXHIBIT 6.2

Non-Compliance by an Target Acquirer that concerns an entity other than Target and its Affiliated Persons.

Dated: _____, 2015

MasterCard International Incorporated

By: Officer's Signature

Officer's Name and Title

EXHIBIT 10.15A

Target Announces Settlement Agreement with MasterCard; Estimated Costs Already Reflected in Previously Reported Results

MINNEAPOLIS—(BUSINESS WIRE)—April 15, 2015—Target Corporation (NYSE: TGT) today announced that it has entered into a Settlement Agreement with MasterCard International Incorporated relative to the data breach that Target experienced during the fourth quarter of 2013.

Under the agreement, alternative recovery offers will be made by MasterCard to eligible MasterCard issuers worldwide that issued MasterCard-branded payment cards claimed to have been affected by the data breach, and MasterCard will recommend that such eligible issuers accept their offers.

Target has agreed to fund up to \$19 million pre-tax in alternative recovery payments, depending on the extent of eligible issuer acceptances. The settlement is conditioned on issuers of at least 90% of the eligible MasterCard accounts accepting their alternative recovery offers, either directly or through their sponsoring issuers, by May 20, 2015. The estimated costs of this settlement are already reflected in the data breach liabilities that Target established during fiscal 2013 and 2014.

Scott Kennedy, President, Target Financial & Retail Services at Target, stated “We are hopeful that Target’s agreement to pay up to \$19 million to settle the claims of MasterCard and its issuers will result in a high level of issuer acceptance. Target intends to continue to defend itself vigorously against any assessments made by MasterCard on behalf of MasterCard issuers that do not accept their offers.”

Assuming that all conditions to consummation of the settlement have been satisfied, accepting issuers will be paid by the end of the second quarter of 2015. Each accepting eligible issuer will, on behalf of itself and any affiliated or sponsored issuer of such eligible issuer on whose behalf the eligible issuer accepts an offer, release and indemnify Target and its acquiring banks with respect to any claims that such eligible issuer and affiliated and sponsored issuers may have with respect to the data breach, including but not limited to any claims in the putative class actions relating to the data breach that are pending in federal court.

All eligible issuers will soon receive notification from MasterCard with full details of the Settlement Agreement and how to accept their alternative recovery offers before the offers expire.

About Target

Minneapolis-based Target Corporation (NYSE: TGT) serves guests at 1,795 stores and at Target.com. Since 1946, Target has given 5 percent of its profit to communities, that giving equals more than \$4 million a week. For more information, visit Target.com/Pressroom. For a behind-the-scenes look at Target, visit Target.com/abullseyeview or follow [@TargetNews](https://twitter.com/TargetNews) on Twitter.

EXHIBIT 10.15A

Source: Target Corporation

Target Corporation

Media Contact: Dustee Jenkins, 612-696-3400

or

Investor Contact: John Hulbert, 612-761-6627

EXHIBIT 10.15B

FREQUENTLY ASKED QUESTIONS

Q: What is the amount of the settlement?

A: The maximum amount of the settlement is \$19 million. This maximum amount will be reduced if one or more eligible issuers declines to fully accept its alternative recovery offer, by an amount that reflects the portion of the \$19 million settlement value attributable to the total number of eligible accounts held by issuers that do not accept their offers.

Q: Are eligible issuers free to decline their alternative recovery offers?

A: Yes, MasterCard will recommend that eligible issuers accept their offers, but each eligible issuer is free to decline its alternative recovery offer on behalf of itself or, in the case an eligible issuer that has one or more affiliate or sponsored issuers, on behalf of one or more such issuers.

Q: Will eligible issuers that accept their offers be permitted to seek additional damages in the putative class action regarding the data breach that is being brought on behalf of issuing banks?

A: No, in order to participate in the settlement, an eligible issuer will, on its own behalf and on behalf of any affiliated or sponsored issuers of such eligible issuer on whose behalf the eligible issuer accepts an offer, be required to release all claims against Target relating to the data breach, including but not limited to any claims in the putative class actions relating to the data breach that are pending in federal court.

Q: Is the settlement conditioned on a minimum level of issuer acceptance?

A: Yes, the settlement is conditioned on issuers of at least 90% of the eligible MasterCard accounts accepting their alternative recovery offers, either directly or through their sponsoring issuers, by May 20, 2015.

Q: Is the cost of the settlement covered by Target's recorded data breach liabilities?

A: Yes, the estimated costs of this settlement are already reflected in the data breach liabilities that Target established during fiscal 2013 and 2014.

Q: When will accepting issuers receive payment?

A: Accepting eligible issuers are expected to be paid by the end of the second quarter of 2015.

EXHIBIT 10.15C

MasterCard Reaches Agreement with Target to Provide Issuers Up to \$19 Million for Data Breach Claims

Purchase, N.Y. – April 15, 2015 – MasterCard today announced it has reached a settlement with Target Corporation to resolve claims by MasterCard and its issuers related to the retailer's 2013 data breach.

Under the agreement, Target will make available up to \$19 million in alternative recovery offers to eligible banks and credit unions across the globe. These funds will settle their claims for operational costs and fraud-related losses on MasterCard-branded cards believed by MasterCard to have been affected by the data breach. Upon accepting the offer, each issuer will release MasterCard, Target and its acquiring banks from all claims related to the data breach.

"We believe this settlement provides our issuers a reasonable resolution of the Target data breach event," said Eileen Simon, chief franchise integrity officer, MasterCard. "The timely reimbursement of costs and losses under the agreement delivers MasterCard issuers a faster and more certain resolution to the event, while reinforcing our commitment to maintain the integrity of industry security standards."

The settlement is contingent on, among other things, issuers representing at least 90 percent of the eligible MasterCard accounts accepting their alternative recovery offers, either directly or through their sponsoring issuers, by May 20, 2015.

Issuers that choose not to accept this offer will have their claims determined by MasterCard internal processes. They may receive more or less than the amounts offered in this settlement depending on various factors, including MasterCard's final determinations of their claims and the outcome of any litigation that Target may file to challenge claim awards to issuers outside of this settlement.

If the settlement is carried out, accepting issuers will be paid by the end of the second quarter of 2015.

Within the week, all MasterCard issuers eligible to participate in the settlement will receive details on the settlement agreement, including how to accept their alternative recovery offers.

About MasterCard:

MasterCard (NYSE: MA), www.mastercard.com, is a technology company in the global payments industry. We operate the world's fastest payments processing network, connecting consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories. MasterCard's products and solutions make everyday commerce activities – such as shopping, traveling, running a business and managing finances – easier, more secure and more efficient for everyone. Follow us on Twitter [@MasterCardNews](https://twitter.com/MasterCardNews), join the discussion on the [Beyond the Transaction Blog](#) and [subscribe](#) for the latest news on the Engagement Bureau.

