

# Defect Response Guidelines

Refer to the table of contents below and select the applicable defect notification for detailed resolution instructions.

*PLEASE NOTE: You cannot respond to a defect until you have received a notification from the Settlement Administrator; some defects may be shown in the portal before letters are sent.*

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## How to Respond to Defect Notifications

All defect notifications have a 30-day response deadline. Responses submitted after the deadline may still be accepted for all notification types except Failure to Cure (FTC) notices. If an FTC defect is not resolved within 30 days of the FTC notice date, the claim may be denied or the award reduced.

To respond online, sign in to the My Claims portal and either:

- Select **Respond** next to the applicable notice in the **Notices** section of the My Claims page, or
- Select the blue **Claim ID** hyperlink, navigate to the **Notices** section, and select **Respond**.

If a defect shows an **Open** status in the Defects Grid but no **Respond** button is available, the defect notification has not yet been sent. You may either:

- Wait for the notification and respond through the portal, or
- Submit a response and supporting documentation by mail:

### **Discover Card Merchant Settlement Class Action Settlement Administrator**

c/o Epiq Class Action  
P.O. Box 2497  
Portland, OR 97208-2497

Include the following with all mailed submissions:

- Claim ID(s)
- A brief explanation of why the response is being submitted by mail

**Important:** FTC notices may contain multiple unresolved defects. Review and respond to each defect listed in the notice, as documentation requirements vary by defect type. Incomplete responses may affect claim processing or payment.

## Bulk Filer Instructions

If you filed your claims using the bulk claim submission tool, you may be able to respond to the notifications in bulk on the Bulk Claims Management page accessible from My Claims by selecting the Manage Bulk Claims button. Bulk submissions are permissible for the following defect notifications:

- Proof of Authority Requests
- Conflicts
- Entity Change
- Failure to Cure

Prior to submitting any responses in bulk, be sure to refer to the submission guideline document for each defect as requirements may vary.

## Curing Defects by Notification Type

### Proof of Authority Request

Proof of Authority documentation is required and must be sufficient to show your authority to file the claim(s) on behalf of the claimant(s). Documentation may differ, depending on the type of entity and the Registrant’s relationship to the claim.

### POI: Missing Proof of Identity

Registrant Relationship Type	Defect Code	Defect Description	Documentation Examples	May result in denial of claim?
	POI	Missing Proof of Identity	<ul style="list-style-type: none"> <li>• Merchant services statement from payment card processor showing business name and/or owner's name;</li> <li>• Corporate resolution or statement signed by an officer, or managing member if applicable, indicating you have authority to file the claim on behalf of the company;</li> <li>• Articles of Incorporation for a corporation identifying you as the President, CEO, COO, CFO, General Counsel, Board</li> </ul>	No, but you may not view your MIDs on the portal until your identity is confirmed

			Chairman, etc.; or <ul style="list-style-type: none"> <li>For sole proprietors only: the EIN Assignment Letter or most recent Schedule C filed with the IRS.</li> </ul>	
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### POA1: Missing Proof of Authority (Owner/Employee)

Registrant Relationship Type	Defect Code	Defect Description	Documentation Examples	May result in denial of claim?
Owner or Employee of a Sole Proprietor/Single-Member LLC	POA1	Missing Proof of Authority	<ul style="list-style-type: none"> <li>Merchant services statement from payment card processor showing business name and/or owner's name;</li> <li>Employer Identification Number (EIN) Assignment letter;</li> <li>IRS EIN Verification Letter (contact IRS at 1-800-829-4933);</li> <li>Most recent Schedule C filed with the IRS;</li> <li>Bank statement directed to the attention of the business owner (<u>please redact account numbers</u>);</li> <li>Business insurance declaration page showing name of the business and directed to business owner;</li> <li>A filed "Doing Business As" or "Fictitious Name" public notice for a sole proprietor;</li> <li>Articles of Organization for a single-member LLC;</li> <li>Tax or other filings with the state or federal government that include the claim filer's name;</li> <li>Local/state/federal licenses related to the business including the claim filer's name; or</li> </ul> <p>Other documents used in the normal course of business that confirm the individual signing the claim form has the authority and/or a position within the company that qualifies them to make the required confirmation in the claim form on behalf of the claimant.</p>	Yes

Registrant Relationship Type	Defect Code	Defect Description	<ul style="list-style-type: none"> <li>Documentation Examples</li> </ul>	May result in denial of claim?
Owner or Employee of Partnership, Corporation, Multi-Member LLC, 501(c)(3), or Other Business Organization	POA1	Missing Proof of Authority	<ul style="list-style-type: none"> <li>Merchant services statement from payment card processor showing business name and/or owner's name;</li> <li>Tax or other corporate filings with the state or federal government that include the claim filer's name;</li> <li>Local/state/federal licenses related to the business including the claim filer's name;</li> <li>Business formation documents like the articles of organization, articles of incorporation, a board resolution and/or signed company meeting notes designating claim filer as an officer or director (President, Vice President, CEO, COO, CFO, General Counsel, Board Chairman, Managing Member, General Partner, etc.);</li> <li>Notarized power of attorney authorizing the claim filer to bind the company in other instances;</li> <li>A certificate of authority, corporate resolution, corporate delegation of authority, or other statement indicating individual has authority to transact business on behalf of the company signed by an officer, director and/or someone listed in the formation documents or reports available online with the Secretary of State;</li> <li>Other documents used in the normal course of business that confirm the individual signing the claim form has the authority and/or a position within the company that qualifies them to make the required confirmation in the claim form on behalf of the claimant.</li> </ul>	Yes

## POA2 and POA3: Missing Proof of Authority (Non-Owner/Employee)

Registrant Relationship Type	Defect Code	Defect Description	Documentation Examples	May result in denial of claim?
Law Firm or Accounting Firm	POA2 or POA3	Missing Proof of Authority	<ul style="list-style-type: none"> <li>Engagement letter referencing the claimant and its tax ID Number and signed by an authorized representative of the claimant;</li> <li>Corporate resolution authorizing you to act on behalf of the company;</li> <li>Letter or statement signed by an officer or managing member (whichever is applicable) authorizing you to file the claim on behalf of the company; or</li> <li>A delegation of authority document signed by an officer or the board of directors.</li> </ul>	Yes
Claim Purchaser	POA2 or POA3	Missing Proof of Authority	Purchase agreement or court order showing transfer of ownership of the right to the claim and IRS Form W-9 of the claim purchaser.	Yes
Representative of deceased business owner	POA2 or POA3	Missing Proof of Authority	<ul style="list-style-type: none"> <li>Copy of the death certificate and either:</li> <li>A Form W-9, letters domiciliary, trust documentation, or</li> <li>Final order showing recipient(s) of the estate property.</li> </ul>	Yes

## POA4: Third-Party Filing Company

Registrant Relationship Type	Defect Code	Defect Description	Documentation Examples	May result in denial of claim?
Third-Party Filing Company	POA4	Missing Proof of Authority	Contract between the third-party filer and claimant referencing the claimant's Tax ID Number and signed by an authorized representative of the claimant.	Yes

## Bulk Proof of Authority Request

If you filed your claims in bulk on the Bulk Claims Management page, Proof of Authority documentation is required and must be sufficient to show your authority to file the claim(s) on behalf of the claimant(s). Documentation may differ, depending on the type of entity and the Registrant's relationship to the claim.

### BPOA1: Missing Proof of Authority (Owner/Employee)

Registrant Relationship Type	Defect Code	Defect Description	Documentation Examples	May result in denial of claim?
Owner or Employee of a Sole Proprietor/Single-Member LLC	BPOA1	Missing Proof of Authority	<ul style="list-style-type: none"> <li>• Merchant services statement from payment card processor showing business name and/or owner's name;</li> <li>• Employer Identification Number (EIN) Assignment letter;</li> <li>• IRS EIN Verification Letter (contact IRS at 1-800-829-4933);</li> <li>• Most recent Schedule C filed with the IRS;</li> <li>• Bank statement directed to the attention of the business owner (<u>please redact account numbers</u>);</li> <li>• Business insurance declaration page showing name of the business and directed to business owner;</li> <li>• A filed "Doing Business As" or "Fictitious Name" public notice for a sole proprietor;</li> <li>• Articles of Organization for a single-member LLC;</li> <li>• Tax or other filings with the state or federal government that include the claim filer's name;</li> <li>• Local/state/federal licenses related to the business including the claim filer's name; or</li> <li>• Other documents used in the normal course of business that confirm the individual signing the claim form has</li> </ul>	Yes

			the authority and/or a position within the company that qualifies them to make the required confirmation in the claim form on behalf of the claimant.	
Owner or Employee of Partnership, Corporation, Multi-Member LLC, 501(c)(3), or Other Business Organization	BPOA1	Missing Proof of Authority	<ul style="list-style-type: none"> <li>• Merchant services statement from payment card processor showing business name and/or owner's name;</li> <li>• Tax or other corporate filings with the state or federal government that include the claim filer's name;</li> <li>• Local/state/federal licenses related to the business including the claim filer's name;</li> <li>• Business formation documents like the articles of organization, articles of incorporation, a board resolution and/or signed company meeting notes designating claim filer as an officer or director (President, Vice President, CEO, COO, CFO, General Counsel, Board Chairman, Managing Member, General Partner, etc.);</li> <li>• Notarized power of attorney authorizing the claim filer to bind the company in other instances;</li> <li>• A certificate of authority, corporate resolution, corporate delegation of authority, or other statement indicating individual has authority to transact business on behalf of the company signed by an officer, director and/or someone listed in the formation documents or reports available online with the Secretary of State;</li> <li>• Other documents used in the normal course of business that confirm the individual signing the claim form has the authority and/or a</li> </ul>	Yes

			position within the company that qualifies them to make the required confirmation in the claim form on behalf of the claimant.	
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### BPOA2 and BPOA3: Missing Proof of Authority (Non-Owner/Employee)

Registrant Relationship Type	Defect Code	Defect Description	Documentation Examples	May result in denial of claim?
Law Firm or Accounting Firm	BPOA2 or BPOA3	Missing Proof of Authority	<ul style="list-style-type: none"> <li>Engagement letter referencing the claimant and its Tax ID Number and signed by an authorized representative of the claimant;</li> <li>Corporate resolution authorizing you to act on behalf of the company;</li> <li>Letter or statement signed by an officer or managing member (whichever is applicable) authorizing you to file the claim on behalf of the company; or</li> <li>A delegation of authority document signed by an officer or the board of directors.</li> </ul>	Yes
Claim Purchaser	BPOA2 or BPOA3	Missing Proof of Authority	Purchase agreement or court order showing transfer of ownership of the right to the claim and IRS Form W-9 of the claim purchaser.	Yes
Representative of deceased business owner	BPOA2 or BPOA3	Missing Proof of Authority	Copy of the death certificate and either: <ul style="list-style-type: none"> <li>A Form W-9, letters domiciliary, trust documentation; or</li> <li>Final order showing recipient(s) of the estate property.</li> </ul>	Yes

### BPOA4: Third Party Filing Company

Registrant Relationship Type	Defect Code	Defect Description	Documentation Examples	May result in denial of claim?
Third-Party Filing Company	BPOA4	Missing Proof of Authority	Contract between the third-party filer and	Yes

			claimant referencing the claimant's Tax ID Number and signed by an authorized representative of the claimant.	
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## Defect Letter and Defect Email

The original claim form submission was incomplete and missing required information. Documentation is not required to resolve these issues.

### SIG: Missing Signature

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
SIG	Missing Signature	The claim form was submitted, but it was not signed.	Provide a signature	Yes

### MOS: Multiple Options Selected

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
MOS	Multiple Options Selected	The filer selected both "yes" and "no" for whether they process or accept payments on behalf of other businesses.	Indicate whether the business processes or accepts cards on behalf of other businesses.	No

### MS1: Multiple Options Selected 2

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
MS1	Multiple Options Selected 2	The filer selected more than one answer to the Franchisor/Franchisee question.	Indicate whether the business is <ul style="list-style-type: none"> <li>• a Franchisor</li> <li>• a Franchisee</li> <li>• Neither, or</li> <li>• Both.</li> </ul>	No

### NOS: No Option Selected

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
NOS	No Option Selected	Did not answer the question as to whether they process or accept cards on behalf of other businesses.	Indicate whether the business processes or accepts cards on behalf of other businesses.	Yes

### NS1: No Option Selected

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
NS1	No Option Selected 2	The filer did not answer the franchisor question.	Indicate whether the business is <ul style="list-style-type: none"> <li>• a Franchisor</li> <li>• a Franchisee</li> <li>• Neither, or</li> <li>• Both.</li> </ul>	Yes

### TIN: Missing Tax ID Number

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
TIN	Missing Tax ID Number	The claim is missing the required tax identification number.	Provide the Settlement Administrator with the TIN for the business	Yes

### MLN: Missing Legal Name

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
MLN	Missing Legal Name	The legal business name was not provided or the required confirmation box was not selected.	Provide the Settlement Administrator the Legal Name of the Business	Yes

## MAD: Missing Address

Defect Code	Defect Name	Defect Description	How to Cure	May Result in Denial?
MAD	Missing Address	The mailing address was not provided or the required confirmation box was not selected	Provide the Settlement Administrator the mailing address of the business	Yes

## MEA: Missing Email Address

Defect Code	Defect Name	Defect Description	How to Cure	May Result In Denial?
MEA	Missing Email Address	An email address was not provided on the claim form.	Provide the Settlement Administrator with an email address.	No

## MPN: Missing Phone Number

Defect Code	Defect Name	Defect Description	How to Cure	May Result In Denial?
MPN	Missing Phone Number	A phone number was not provided on the claim form.	Provide the Settlement Administrator with a phone number.	No

## TIN and/or Name Verification Request

A discrepancy was identified between the information submitted for a claim and certain data in our records. Specifically, the Legal Name and/or Tax ID Number provided on your claim form does not match our merchant records.

### NEX: Name Exception (Claim Form Discrepancy)

We have identified one or more discrepancies related to the Legal Name associated with the filed claim. Specifically, the information you provide on your Claim Form does not match our merchant records. To resolve this defect, please provide the proper legal name, an explanation for the discrepancy and submit any supporting documentation that verifies the Legal Name reported on the Claim Form or otherwise supports the requested change.

Defect Code	Defect Name	Discrepancy Reason	Documentation Examples	May Result in Denial?
NEX	Name Exception	Error/Typo Correction	<ul style="list-style-type: none"> <li>• Provide a copy of your Merchant Services statement with the correct name and, if available, the relevant Discover MIDs.</li> <li>• Submit a short written explanation and any alternate documentation you have available to support the name correction.</li> </ul>	No
NEX	Name Exception	Merger/Acquisition/Legal Name Change	<ul style="list-style-type: none"> <li>• State of organization/incorporation documents showing the proper name of the business that matches the claimant legal name that you provided, or an amendment document showing the name was changed.</li> <li>• A board resolution, if a corporation showing a name change; A signed statement from the manager or member, if a limited liability company showing a name change.</li> <li>• A “doing business as” or “DBA” fictitious name filing provided to the state or other local government entity.</li> <li>• A copy of updated licenses or permits showing the change in name.</li> <li>• Purchase/sale documentation showing your acquisition of the former entity.</li> </ul> <p>Proof of dissolution –</p> <ul style="list-style-type: none"> <li>• Sole proprietorship with its own employer identification number (EIN): provide a copy of the IRS Form Schedule C marked as “final”;</li> </ul>	

			<ul style="list-style-type: none"> <li>• Sole proprietorship that operated under the Social Security number of the deceased owner: provide a copy of the death certificate and Schedule C for the dissolved entity; or</li> <li>• Partnership/LLC/Corporation: provide articles of dissolution (or equivalent) and a written request for payment to the beneficiaries of the dissolved entity signed by all officers or owners at the time of dissolution including their full names.</li> </ul>	
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### IW9: Legal Entity Name on Claim Differs From Entity Name Listed on the Form W-9

The legal entity name listed on your claim differs from the entity name listed on your Form W-9. Payment will be issued to the legal entity on your claim. If you are not able to negotiate checks issued to this entity, you need to promptly request a payee name change by logging into the claims portal. Once you log in, select the blue hyperlink for the Claim ID noted above from the list of Claim IDs on your My Claims page, then scroll down to the “Entity Information” section and select a “Request Entity Update” to submit a name change request.

### TEX: TIN Exception

We have identified a discrepancy related to the Tax ID Number associated with the filed claim. Specifically, the Tax ID Number information provided on the Claim Form does not match the Tax ID Number in the merchant records. This mismatch may be the result of the following:

- A typographical error when entering the Tax ID Number while filing the claim; or
- The Tax ID Number associated with the Record Legal Name is inaccurate in the Settlement Administrator’s merchant records; or
- You have more than one Tax ID Number, and entered an alternate Tax ID Number on the Claim Form that does not match the merchant records provided to the Settlement Administrator.

To resolve this defect, please provide the Taxpayer ID Number associated with the Claimant (numbers only, no dashes) and provide supporting documentation that verifies the relationship between the Taxpayer ID Number and Legal Name reported on the Claim Form or otherwise supports the change.

Defect Code	Defect Name	Discrepancy Reason	Documentation Examples	May Result in Denial?
TEX	TIN Exception	The Taxpayer Identification Number on the claim form does not match merchant records.	<ul style="list-style-type: none"> <li>• A copy of your original IRS Employer Identification Number (EIN) Confirmation Letter.</li> <li>• An IRS EIN Verification Letter (please contact the IRS at 1-800-829-4933 to request; the Settlement Administrator cannot request this on your behalf).</li> <li>• A copy of the most recently filed IRS 1040 Schedule C, IRS 1041, IRS 1120, or similar annual tax return document showing your Employer Identification Number and name of the business.</li> <li>• For sole proprietors using a Social Security number, provide a copy of the first page of Form 1040 and Schedule C.</li> </ul>	No

### Conflict Notice

The Settlement Administrator has identified a conflict between the filed claim and one or more other claim(s) submitted by another registrant for the same Tax ID Number (“TIN”) (either a business using its employer identification number or a sole proprietor using its Social Security Number).

Many conflicts are the result of two parties within an organization filing claims for the same business. Another common reason for conflicts to arise is a third-party filer has a contract with the entity and filed a claim, but the individual who received the Settlement Notice was unaware of that contract.

Another less common situation occurs when multiple parties are entitled to a portion of the claim due to a merger, acquisition, or dissolution of an entity.

## IC: In Conflict

Defect Code	Defect Name	Conflict Resolution	Documentation Examples	May Result in Denial?
IC	In Conflict	Your claim should be withdrawn	Respond to the Settlement Administrator requesting your claim be withdrawn. Documentation is not needed.	Yes
IC	In Conflict	The other registrant's claim should be withdrawn	Provide written evidence of resolution between the parties with an express indication that the claim for the conflicting registrant be withdrawn.	Yes
IC	In Conflict	The conflicting claims are associated with a merger, acquisition, or dissolution of an entity and proceeds should be split.	<ul style="list-style-type: none"> <li>• Provide written evidence of resolution (e.g., an agreement signed by both parties delineating division of proceeds by percentages or dates, contact information for both parties including email and phone number, and signatures of both parties), or</li> <li>• Provide documentation contemporaneous to the merger, acquisition, dissolution, or other transaction that explains your right to settlement proceeds.</li> </ul>	Yes
IC	In Conflict	Your claim has an incorrect TIN and needs to be corrected	Respond to the Settlement Administrator indicating a TIN change is needed and then request a TIN change by selecting the blue hyperlink for the Claim ID that requires a TIN change on your My Claims page, then scroll down to the "Entity Information" section to request an update.	Yes

## Questions or Support

If you need assistance with defect responses, please contact the Settlement Administrator by phone at **1-888-655-3176** or email [info@DiscoverMerchantSettlement.com](mailto:info@DiscoverMerchantSettlement.com).