



Members in this action, and to prepare federal tax returns and tax estimates for the settlement monies, which were placed in two escrow funds described below. These services are provided by HR&S at the amounts and rates set forth in the revised proposal, dated December 26, 2006 and the updated budget report issued to counsel dated August 31, 2007. The initial proposal, dated May 10, 2006, was revised with the consent of all parties to incorporate the improvements in settlement administration procedures that were approved by the Court subsequent to the initial proposal.

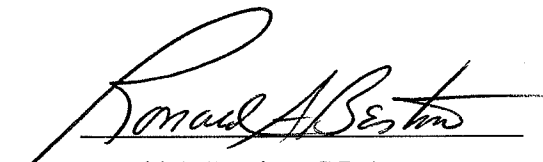
3. Two escrow funds for the settlement monies were established on July 24, 2006 in accordance with the Stipulation and Agreement of Settlement. \$318,000,000.00 was placed in the "Principal Settlement Fund" escrow account and \$18,000,000.00 was placed in the "Notice and Cost Administration Fund" escrow account. An Order was issued on October 22, 2007 directing counsel to effectuate the wire transfer of the balances in the two escrow funds to the Court Registry Investment System ("CRIS"). Wire transfers of \$334,733,965.87 from the Principal Settlement Fund Account and \$13,408,289.70 from the Notice and Cost Administration Fund Account were effectuated on October 23, 2007 to the CRIS. As of June 30, 2008, the balance of settlement funds, as reported in the CRIS account statements, is \$337,558,916.39 (Exhibit A). This balance is comprised of (i) \$336,854,345.24 of money market and United States treasury bill investments in the Principal Settlement Fund (CRIS account number 07-cc-0001-1) and (ii) \$704,571.15 of money market and United States treasury bill investments in the Notice and Cost Administration Fund (CRIS account number 07-cc-0001-2) (Exhibit A). In addition, there is \$2,969,081.73 in investment accounts in U.S. Treasury-backed money market funds held at Citizens Bank as of June 30, 2008<sup>1</sup> (which monies had been received by HR&S as federal tax refunds for the settlement funds; now including accrued interest).

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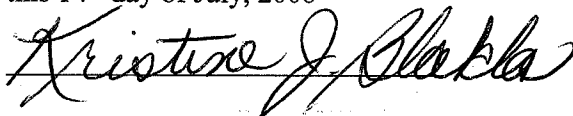
<sup>1</sup> On June 27, 2008, the Court granted Plaintiffs' motion requesting permission to wire the tax refund monies (including interest but less costs) to the CRIS Principal Settlement Fund. Pursuant to this Order, the tax refund monies held at Citizens Bank have been disbursed to pay Court approved expenses, with the remaining funds transferred to the CRIS Principal Settlement Fund. The transfer of these funds occurred on July 8, 2008. However, the attached reconciliation report lists these funds as being held in investment accounts with Citizens Bank as of June 30, 2008.

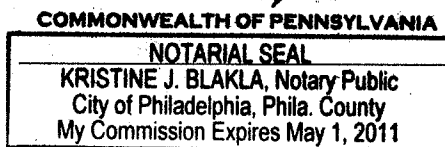
4. The two settlement funds have earned and received a total of \$26,454,550.05 in interest income from the inception of the funds (on July 24, 2006) to June 30, 2008 (Exhibit A). The funds also have an interest receivable amount at June 30, 2008 of \$79,663.94 (*i.e.*, interest earned on investments that have not matured as of June 30, 2008) (Exhibit A). Further, estimated federal tax payments on these earnings from the funds have been paid. From the inception of the funds (on July 24, 2006) through June 30, 2008, a total of \$4,488,000.00 of estimated tax payments were paid from the funds. The funds have also received two federal tax refunds: (i) a refund in the amount of \$1,826,225 for 2007 taxes (received on March 14, 2008); and (ii) a refund in the amount of \$1,136,610 for 2006 taxes (received on April 17, 2008). The net amount of federal taxes paid from the inception of the funds to June 30, 2008 is \$1,525,165 (Exhibit B).

5. Total expenses incurred from inception of the funds through June 30, 2008<sup>2</sup> are \$24,900,322.68, after reflecting all tax refunds received. This amount includes fees and expenses billed for printing and mailing the notice, printing and dissemination of the publication notice, consulting and translation services relating to the notice and claims procedures, the Special Master's services, the services of Analysis Research Planning Corporation, and the settlement administration and notice services provided by HR&S. An accounting of these expenses is summarized in Exhibit B.

  
Ronald A. Bertino, C.P.A.

Sworn to and subscribed before me  
this 14<sup>th</sup> day of July, 2008





<sup>2</sup> The total expenses of \$24,900,322.68 are for administrative services rendered through May 31, 2008. The June expenses have not been summarized as of the date of this report. The June expenses will be included in the quarterly report that will be released at a later date in July.

**CURRENCY CONVERSION FEE ANTITRUST LITIGATION**  
**NET SETTLEMENT FUND ANALYSIS**  
**AS OF JUNE 30, 2008**

**EXHIBIT A**

**Settlement/Transfers In - July 24, 2006**

Settlement Fund Deposit - A/C 2518	\$ 318,000,000.00	
Notice & Administration Fund Deposit - A/C 2526	18,000,000.00	
		\$ 336,000,000.00

**Income - 07/24/06 to 06/30/08**

Money Market Interest - A/C 2518	\$ 6,271.12	
Money Market Interest - A/C 2526	7,270.62	
CRIS Interest - A/C 0001-1	5,000,184.99	
CRIS Interest - A/C 0001-2	35,913.88	
U.S. T-Bill Interest & Short-Term Gain - A/C 2526	1,062,229.15	
U.S. T-Bill Interest & Short-Term Gain - A/C 2518	20,342,680.29	
		26,454,550.05

**Expenses Paid**

Federal Income Taxes- Notice & Admin Fund	\$ 81,705.26	
Federal Income Taxes- Settlement Fund	1,443,459.74	
Settlement Administration Costs	4,237,959.16	
Postage	7,417,497.30	
Printing of Notices	7,739,832.81	
Translation Fees - Transcend	8,883.75	
Fees Paid to Special Master	34,502.04	
Publication Notice	938,848.00	
Fees Paid to Focus Group Coordinator	23,773.87	
Bank Charges	90.00	
		(21,926,551.93)

**Net Settlement Fund At June 30, 2008 per Bank Statements**

**340,527,998.12 A**

**Income/Refunds Receivable**

Estimated Earnings 06/25 - 06/30/08 - CRIS 0001-1	\$ 76,721.49	
Estimated Earnings 06/25 - 06/30/08 - CRIS 0001-2	160.47	
Estimated Earnings Month Ending 06/30/08 - MM 2518	2,781.98	
		79,663.94

**Total Funds Available in the Escrow Accounts**

**340,607,662.06**

**Outstanding Expenses as of June 30, 2008 <sup>1</sup>**

Settlement Administration Costs - February 2008	790,585.32	
Settlement Administration Costs - March 2008	772,360.06	
Settlement Administration Costs - April 2008	781,729.88	
Settlement Administration Costs - May 2008	629,095.49	
		(2,973,770.75)

**Estimated Net Settlement Fund as of June 30, 2008**

**\$ 337,633,891.31**

**CURRENCY CONVERSION FEE ANTITRUST LITIGATION**  
**NET SETTLEMENT FUND ANALYSIS**  
**AS OF JUNE 30, 2008**

**EXHIBIT A**

**Cash & Investments as of June 30, 2008**

Checking Account - 0060  
Money Market - 2526  
Money Market - 2518  
CRIS 1:07-CC-0001-1  
CRIS 1:07-CC-0001-2

	<b><u>Cost Basis</u></b>
\$	-
	8.37
	2,969,073.36
	336,854,345.24
	<u>704,571.15</u>

**Total Funds Available in the Escrow Accounts at June 30, 2008**

<b>\$</b>	<b><u>340,527,998.12</u></b>
	<b>A</b>

<sup>1</sup> The outstanding expense section does not include any amount for administrative services provided in the month of June.

**CURRENCY CONVERSION FEE ANTITRUST LITIGATION**  
**NET SETTLEMENT FUND ANALYSIS**  
**THROUGH JUNE 30, 2008**

**EXHIBIT B**

**Summary of Expenditures**

<b><u>Expenses Paid</u></b>	<b><u>Exhibit</u></b>	<b><u>Taxes</u></b>	<b><u>Admin</u></b>
<b><u>Federal Taxes</u></b>			
Federal Income Taxes Paid	C		
2007 Tax Refund Received on March 14, 2008			
2006 Tax Refund Received on April 17, 2008		\$ 1,525,165.00	\$ 1,525,165.00
		<u>20,401,386.93</u>	<u>\$ 20,401,386.93</u>
<b><u>Administration Expenses</u></b>			
Administration Expenses through January 31, 2008	D		
		21,926,551.93	
<b><u>Total Expenses Paid to Date</u></b>			
		<u>2,973,770.75</u>	<u>2,973,770.75</u>
<b><u>Outstanding Expenses as of June 30, 2008</u></b>			
Feb 2008 Administration Expenses	D		
Mar 2008 Administration Expenses	D		
Apr 2008 Administration Expenses	D		
May 2008 Administration Expenses	D		
		\$ 790,585.32	Y
		772,360.06	Y
		781,729.88	Y
		<u>629,095.49</u>	<u>Y</u>
		<u>24,900,322.68</u>	<u>\$ 24,900,322.68</u>
<b><u>Expenditures as of June 30, 2008</u></b>			
		<u>\$ 1,525,165.00</u>	<u>\$ 23,375,157.68</u>

**NOTE Y:** These items represent the expenses incurred through May 31, 2008, which total \$2,973,770.75. Expenses for administration services rendered in June 2008 have not been summarized and are not included.

**CURRENCY CONVERSION FEE ANTITRUST LITIGATION**  
**ESTIMATED FEDERAL TAX PAYMENTS**  
**THROUGH JUNE 30, 2008**

**EXHIBIT C**

	<b>NOTICE &amp; ADMIN. FUND</b>	<b>SETTLEMENT FUND</b>	<b>TOTAL</b>
2007 (from prior quarterly report)	\$ 240,428.56	\$ 4,247,571.44	\$ <b>4,488,000.00</b>
Jan to May 2008	\$ -	\$ -	\$ -
Total for 2008	\$ -	\$ -	\$ -
Total Since Inception	<b>\$ 240,428.56</b>	<b>\$ 4,247,571.44</b>	<b>\$ 4,488,000.00</b>
<u>Refunds</u>			
Year 2006	(60,890.30)	(1,075,719.70)	(1,136,610.00)
Year 2007	(97,833.00)	(1,728,392.00)	(1,826,225.00)
Taxes Paid	<b>\$ 81,705.26</b>	<b>\$ 1,443,459.74</b>	<b>\$ 1,525,165.00</b>

Two separate escrow funds were established from the proceeds of the settlement. One escrow fund was generated to pay for the notice and administration costs. The other escrow fund was generated for the settlement fund to be used to pay claimants. The taxes were charged separately to each fund based on the interest earned. The payment of each escrow account's quarterly estimated taxes were combined on one check each quarter. The funds were subsequently transferred to CRIS.

The Federal Tax amount is net of the \$1,826,225 refund related to tax year 2007 received on March 14, 2008 and the refund of \$1,136,610 for tax year 2006 received on April 17, 2008. No additional taxes are due to be paid at this time.

**CURRENCY CONVERSION FEE ANTITRUST LITIGATION**  
**EXPENSE ANALYSIS**

**EXHIBIT D**

<b>Date</b>	<b>Notice Printing</b>	<b>IVR/ Operator &amp; Claims Administration</b>	<b>Publication Notice</b>	<b>Other</b>	<b>Total <sup>1</sup> to Date</b>
<b><u>Expenses Paid</u></b>					
thru 12/31/07	15,157,330.11	1,248,133.20	938,848.00	58,365.91	17,402,677.22
After 12/31/07	0.00	1,751,577.57	0.00	0.00	1,751,577.57
Jan 2008	0.00	1,247,132.14	0.00	0.00	1,247,132.14
	<u>15,157,330.11</u>	<u>4,246,842.91</u>	<u>938,848.00</u>	<u>58,365.91</u>	<u>20,401,386.93</u>
<b><u>Outstanding Expenses <sup>2</sup></u></b>					
Feb 2008	0.00	790,585.32	0.00	0.00	790,585.32
Mar 2008	0.00	772,360.06	0.00	0.00	772,360.06
Apr 2008	0.00	781,729.88	0.00	0.00	781,729.88
May 2008	0.00	629,095.49	0.00	0.00	629,095.49
	<u>0.00</u>	<u>2,973,770.75</u>	<u>0.00</u>	<u>0.00</u>	<u>2,973,770.75</u>
<b><u>Total</u></b>					<u><u>23,375,157.68</u></u>

<sup>1</sup> This column does not include any taxes paid.

<sup>2</sup> The Outstanding Expenses do not include any amount due for services rendered in June 2008.