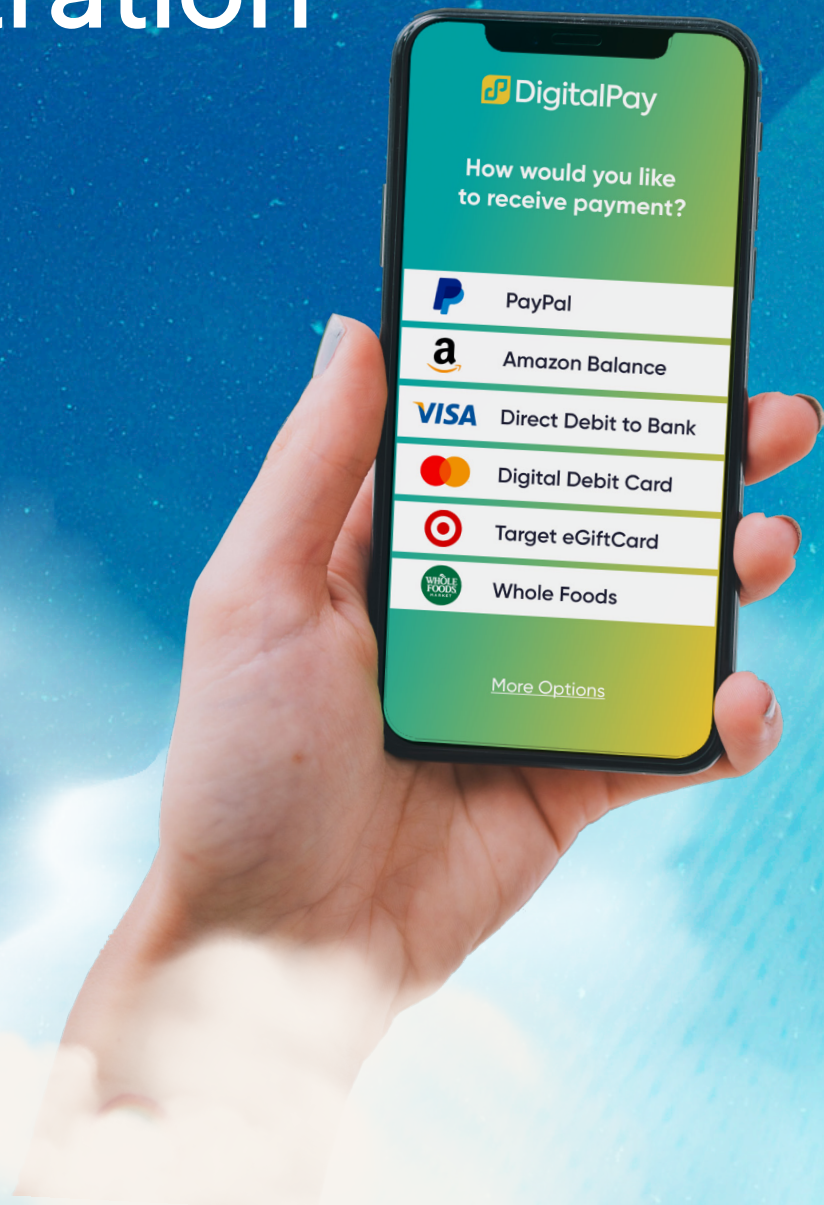


DIGITAL PAYMENTS:

The Key to Transforming Litigation Settlement & Administration



EXECUTIVE SUMMARY

A New Era of Litigation Settlement

Since 2019, digital payouts have changed the landscape of litigation settlement. In fact, some experts believe that nearly 95% of large-scale payouts for class action, antitrust, bankruptcy and mediated matters now feature digital payments as the primary way for claimants to receive funds. That's a significant transition away from traditional payment methods which remain slow, costly, and offer little-to-no choice for payees.

While the original impetus to use digital payouts for litigation settlements was to lower cost per payment, it's clear digital payments offer far more than transactional savings. This overview will help you understand the powerful benefits of digital payments – and why something as simple as how you pay out claims can transform your operations into a truly strategic advantage.



THE BENEFITS OF DIGITAL PAYMENTS:

- Reduce administrative costs
- Expedite payout completion, accounting and administration
- Deliver faster payment resolution and better claimant service



TRANSFORMATION #1

Reduce Total Administration Costs

While transaction costs are a primary concern for payment operations, administrative costs are typically far more expensive. Think about the workflow, department approvals and human resources that even a straight-forward payout program requires. There's a ton of time and effort – therefore cost – involved!

Digital payments have the ability to reduce administration time and cost by at least 50% or more.

This savings comes from three key areas:

- Elimination of traditional payment operations like printing and fulfillment, ACH reprocessing, check expiration management and escheatment administration
- Instant, end-end trackability of every payment
- Systematic payment reissuance, exceptions handling, and redistribution

50%+

Administration Cost Savings

Of course the ability to save on administrative cost is appreciated by the courts because this increases the final settlement amount to be distributed for claimants. And for administrators and service providers, being more efficient with time and expense can provide a distinct competitive advantage during the RFP process.



TRANSFORMATION #2

Shorten Program Administration

One particular challenge of a claims payout is how long the process can take. In a typical litigation settlement involving checks, most administrators plan for issuing two waves of checks, both with 90+ day expiration terms. This can add 6+ unnecessary months to the lifecycle of a payment program.

With digital payments, **the majority of claimants take their funds in a 72-hour window from the time their payout notification has been received.** That's incredibly fast and redefines the notion of how long final settlement should actually take.

The days of having to wait for checks to expire in order to start final accounting and final redistribution calculations are officially over. On average, using digital payments can shorten program administration timing to under three months, from initial payment offering to final declarations and reporting to the courts.

Average Settlement Timing

DIGITAL PAYMENTS
3 Months

TRADITIONAL PAYMENTS
6-9 Months (or more)



TRANSFORMATION #3

Improve Claimant Service

If you've had experience with litigation payouts, you likely understand consumers can be incredibly challenging to take care of when it comes to servicing payment issues. **The question "where's my money?" can be the start of a long and painful process for an administrator.** In addition, there's something about settlement payments that seem to bring out a payees' willingness to over-escalate issues to federal judges, AG Offices, and plaintiff-side attorneys.

Digital payments are uniquely situated to improve claimant payment service:

- 100% end-end tracking, from issuance of payment to receipt at the endpoint of choice
- Secure delivery via encrypted, 1:1 email or SMS addresses
- Instant reissuance when a claimant can't find their payment
- Expedited exceptions handling for situations where fast resolution alleviates the frustration of a "super complainer"

The ability to provide instant payment resolution in the course of a phone call or one email is a huge step forward for settlement administration. Digital payments are a primary catalyst for this progress.



THE LEADING PAYMENT PROVIDER

DigitalPay: A Committed Partner for Litigation Payouts

DigitalPay is a leading payment service provider in the litigation space for class action, antitrust, bankruptcy and mediated settlements. Since 2019, DigitalPay has successfully distributed hundreds of millions of dollars in settlement funds to millions of claimants across a number of high-profile matters including Vizio, BoughtMilk, American Web Loan, Equifax Data Breach, Optical Disk Drive, and Lithium Batteries.

Our experience with direct involvement with plaintiff-side attorney's in the course of a payment program gives us unique insight and understanding into the challenges of litigation payouts. We use this experience in every program to guide planning, payment options, claimant servicing and more.

WANT TO SEE DIGITALPAY IN ACTION? info@digitalpay.us 1-415-580-2057 digitalpay.us

