COMPETITION APPEAL TRIBUNAL

NOTICE OF A CLAIM UNDER SECTION 47A OF THE COMPETITION ACT 1998

Case No: 1787/5/7/26

Pursuant to Rule 33(8) of the Competition Appeal Tribunal Rules 2015 (S.I. 2015 No. 1648) (the "Tribunal Rules"), the Registrar gives notice of the receipt of a claim for damages (the "Claim") on 17 July 2026, under section 47A of the Competition Act 1998 (the "Act"), by Water Plus Limited and the persons listed in Annex I (the "Claimants") against (1) Visa Incorporated; (2) Visa International Service Association; (3) Visa Europe Services LLC; (4) Visa Europe Limited; (5) Visa UK Limited (together "Visa" and the "Visa Defendants"); (6) Mastercard Incorporated; (7) Mastercard International Incorporated; (8) Mastercard Europe SA; (9) Mastercard / Europay UK Limited; (10) Mastercard UK Management Services Limited; and (11) Mastercard Europe Services Limited (together "Mastercard" and the "Mastercard Defendants").

The Claimants are represented by Harcus Parker Limited, 80 Strand, London WC2R 0DT, United Kingdom (Reference: Thomas Ross).

The Claimants claim damages for infringements of Article 101(1) of the Treaty on the Functioning of the European Union ("TFEU") and Chapter I of the Act. The alleged infringements relate to and arise from the setting and implementation of unlawful terms and fees for commercial card transactions as between the participants of the Visa card scheme in the case of Visa and the Mastercard scheme in the case of Mastercard.

The Claimants are all companies incorporated in the United Kingdom. The Claimants accept or have accepted payments made by means of Visa and Mastercard branded commercial payment cards through their payment service providers.

The First Defendant, Visa Inc., is a corporation incorporated in May 2007 under the laws of Delaware (USA). The First Defendant owns, manages, promotes and licences a portfolio of Visa payment brands which include Visa, Visa Electron, PLUS and Interlink. From 21 June 2016, it has been responsible for setting the various fees payable by participants in the Visa scheme, which the Second to Fifth Defendants have implemented. The Second Defendant, Visa International Service Association, is a membership organisation registered under the laws of Delaware. Its members are banks and payment service providers that are card acquirers or card issuers or both. The Third Defendant, Visa Europe Services LLC is a United States stock company registered and incorporated in Delaware. The Fourth and Fifth Defendants, Visa Europe Limited and Visa UK Limited are private limited companies incorporated in England and Wales. The Visa card scheme is, and has during the Claim Period been, managed and represented by the First to Fifth Defendants. The Visa Defendants, the Claimants allege, are all part of a single economic entity and form an undertaking for the purposes of UK and EU competition law.

The Sixth Defendant, Mastercard Incorporated, is a United States stock corporation registered in Delaware. The Sixth Defendant operates as the holding company of the Seventh, Eighth and Ninth Defendants. The Seventh Defendant, Mastercard International Incorporated, is a United States stock corporation registered in Delaware. The Eighth Defendant, Mastercard Europe SA (formerly Mastercard Europe SPRL), is a private limited liability company incorporated in Belgium. The Ninth to Eleventh Defendants, Mastercard/Europay UK Limited, Mastercard UK Management Services Limited and Mastercard Europe Services Limited are private limited liability companies incorporated in England and Wales, whose ultimate parent company is the Sixth Defendant. The Mastercard card scheme is, and has during the Claim Period been, managed and represented by the Sixth to Ninth Defendants. All of the Sixth to Eleventh Defendants are involved in, and/or have in the past been involved in, the Mastercard scheme and establishing and/or implementing the Mastercard Rules. The Mastercard Defendants are all part of a single economic entity and form an undertaking for the purposes of UK and EU competition law.

The Claimants state that both Visa and Mastercard operate payment card schemes. In both schemes, the Claimants explain, issuing and acquiring banks join the relevant scheme and agree to abide by its rules (the "Visa Rules" and the "Mastercard Rules"). A cardholder contracts with an issuer, which agrees to provide the cardholder with a Visa or Mastercard debit or credit card, and agrees the terms on which they may use the card to buy goods or services from a merchant, such as the Claimants. Merchants, who wish to accept payment cards under the scheme contract with an acquirer, which agrees to provide services to the merchant enabling the acceptance of the cards. This is done in consideration for the merchant paying the acquirer a service charge (the "MSC").

The MSC is negotiated between the acquirer and the merchant. The level of the MSC reflects various factors including any interchange fees payable by the acquirer to an issuer.

Under both the Visa and Mastercard schemes, the Claimants allege there are terms in the respective Rules as to how issuers and acquirers are to deal with each other. This includes the paying of a default interchange fee (the "MIF") which is payable by the acquirer to the issuer on each transaction. Under the Visa and Mastercard schemes, issuers and acquirers are not required to contract on the basis of the MIF and may enter into bilateral agreements with different terms. In practice, however, the Claim states that issuers and acquirers do contract on the basis of the MIF.

Furthermore, in respect of commercial card transactions at issue in this case, the Claimants allege that the relevant schemes each require an acquirer which acquires transactions outside of its Member State of establishment (known as a "Cross-Border Acquirer" by Visa and a "Central Acquirer" by Mastercard) to pay the MIF of the Member State where the transaction took place.

For the purposes of the Article 101(1) TFEU and Chapter I prohibitions, the Claimants allege that provisions of the Visa Rules and Mastercard Rules both amount to a decision of an association of undertakings and/or an agreement and/or a concerted practice that was and remains restrictive of competition in the UK national market for acquiring payment card transactions ("the relevant market").

The Claimants allege that the Visa and Mastercard Rules, including:

(i) providing for the payment of a positive default MIF by acquirers to issuers in respect of commercial card transactions (in the absence of bilateral agreements to the contrary); and

(ii) the Cross-Border Acquiring Rule (in the case of Visa) and the Central Acquiring Rule (in the case of Mastercard)

had and continue to have the object and/or effect of preventing, restricting or distorting competition in the relevant market.

In particular, regarding the MIF, the Claimants allege this established an effective minimum price for each MSC that the Claimants have paid, and continue to pay, to their acquirers for accepting Visa- and Mastercard-branded credit, debit and prepaid commercial cards.

In relation to the Cross-Border Acquiring Rule (in the case of Visa) and the Central Acquiring Rule (in the case of Mastercard), these Rules, the Claimants claim, artificially partition the EEA into separate national markets by limiting the entry and price competition from acquirers based in other Member States which then inflated domestic interchange fees (whether agreed bilaterally or set by Visa or Mastercard).

The Claimants state that absent the provisions in the Visa Rules and Mastercard Rules providing for acquirers to pay issuers a positive default MIF in respect of commercial card transactions, issuers would not have charged acquirers interchange fees and acquirers would then not have passed on this fee to merchants, including the Claimants.

The burden is on the defendants to show the relevant Rules satisfy that the cumulative conditions for exemption in s. 9 of the Act and Article 101(3) TFEU. The Claimants allege that there is no positive level of commercial card MIF that meets all the cumulative exemption conditions.

By virtue of the unlawful conduct the Claimants allege they have each paid and continue to pay higher MSCs than would otherwise have been the case but for the anti-competitive conduct and/or have suffered loss of profit. The total overcharge is to be calculated, on a prima facie basis, by determining the difference between the actual commercial card MIF paid by the Claimants over the Claim Period and no MIF.

The Claimants claim damages from 17 July 2020 to the date of judgment on this claim or, if earlier, the date when the infringements cease, because the infringements are continuing. The Claimants claim compound interest on their losses at such rate and for such period as the Court thinks fit.

The relief sought in these proceedings is:

(1) Damages;
(2) Compound interest, alternatively simple interest;
(3) Costs; and
(4) Such further or other relief as the Court thinks fit.

Further details concerning the procedures of the Tribunal can be found on its website at www.catribunal.org.uk. Alternatively, the Tribunal Registry can be contacted by post at Salisbury Square House, 8 Salisbury Square, London EC4Y 8AP, or by telephone (020 7979 7979) or email (registry@catribunal.org.uk). Please quote the case number mentioned above in all communications.

Charles Dhanowa CBE, KC (Hon)
Registrar

Published 11 September 2026

Annex I

1. Water Plus Select Limited
2. South Bank Hotel Management Company Limited
3. Park Plaza County Hall London Limited