

In late December 2013, the Consumer Financial Protection Bureau (CFPB) ordered American Express to refund an estimated \$59.5 million to 335,000 consumers for illegal credit card practices. The practices included unfair billing tactics and deceptive marketing with respect to credit card add-on products such as payment protection and credit monitoring. American Express must also pay an additional \$9.6 million in civil penalties to the CFPB.

The CFPB discovered that American Express engaged in misleading marketing with respect to add-on products. Specifically, American Express misled consumers about the benefits of payment protection products, the length of coverage for payment protection products, and fees associated with payment protection products. Additionally, American Express engaged in unfair billing practices with its identity protection add-on products. The CFPB found that American Express billed consumers for services they did not receive, unfairly charged consumers for interest and fees, and failed to inform consumers about their right to a free credit report annually.

Under Consent Orders entered with CFPB, American Express agreed to stop deceptive marketing, end unfair billing practices, pay restitution of approximately \$59.5 million to more than 335,000 consumers who purchased the add-on products, pay a \$9.6 million penalty to the CFPB, and provide refunds or credits without any further action by consumers. The Consent Orders are available for download at the Consumer Financial Protection Bureau [website](#).