

UNITED STATES OF AMERICA  
CONSUMER FINANCIAL PROTECTION BUREAU

ADMINISTRATIVE PROCEEDING  
File No. 2013-CFPB-0011

In the Matter of

AMERICAN EXPRESS CENTURION BANK  
SALT LAKE CITY, UTAH

STIPULATION AND  
CONSENT TO THE ISSUANCE  
OF A CONSENT ORDER

The Consumer Financial Protection Bureau (“CFPB”) intends to initiate an administrative proceeding against American Express Centurion Bank (“AECB” or “Respondent”), under sections 1053 and 1055 of the Consumer Financial Protection Act (“CFP Act”), 12 U.S.C. §§ 5563 and 5565, for deceptive and unfair marketing practices related to certain credit card add-on products, in violation of sections 1031 and 1036 of the CFP Act, 12 U.S.C. §§ 5531 and 5536 and in violation of Regulation V, 12 C.F.R. § 1022.138(b)(7), for failing to provide the mandatory disclosure related to free credit reports.

AECB, in the interest of compliance and resolution of the matter, and without admitting or denying any wrongdoing, any findings of fact, or any violations of law, consents to the issuance of the attached Consent Order (the “Consent Order”), which is incorporated herein by reference. In consideration of the above premises, Respondent, through its Board of Directors, stipulates and agrees to the following:

**Jurisdiction**

1. The CFPB has jurisdiction over this matter under sections 1053 and 1055 of the CFP Act, 12 U.S.C. §§ 5563 and 5565.

**Consent**

2. Respondent, without admitting or denying any wrongdoing, agrees to the issuance of the Consent Order.

3. Respondent admits the CFPB's jurisdiction over Respondent and the subject matter of this action.

4. Respondent agrees that the Consent Order shall be deemed an "order issued with the consent of the person concerned" under section 1053(b)(4) of the CFP Act, 12 U.S.C.

§ 5563(b)(4), and agrees that the Consent Order shall become a final order, effective upon issuance, and shall be fully enforceable by the CFPB under sections 1053(d)(1) and 1055 of the CFP Act, 12 U.S.C. §§ 5563(d)(1) and 5565.

5. Respondent enters into this Stipulation and Consent to the Issuance of a Consent Order ("Stipulation") voluntarily.

6. Respondent declares that no separate promise or inducement of any kind has been made by the CFPB or any member, officer, employee, agent, or representative of the CFPB, to cause or induce the Bank to consent to the issuance of the Consent Order and/or execute this Stipulation.

7. Respondent agrees that the facts set forth in Section V of the Consent Order shall be taken as true and be given collateral estoppel effect, without further proof, in any proceeding before the CFPB based on the entry of the Consent Order, or in any subsequent civil litigation by the CFPB to enforce the Consent Order or its rights to any payment or monetary judgment under the Consent Order, such as a non-dischargeability complaint in any bankruptcy case.

8. The terms and provisions of this Stipulation and the Consent Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest.

9. Respondent agrees that the CFPB staff may present the Consent Order to the Director of the CFPB for signature and entry without further notice.

**Waivers**


10. Respondent, by consenting to this Stipulation, hereby waives:

- a. Any right to service of the Consent Order, and agrees that issuance of the Consent Order will constitute notice to the Respondent of its terms and conditions;
- b. Any objection to the jurisdiction of the CFPB, including, without limitation, under section 1053 of the CFP Act, 12 U.S.C. § 5563;
- c. All hearings pursuant to the statutory provisions under which the proceeding is to be or has been instituted; the filing of proposed findings of fact and conclusions of law; proceedings before, and a recommended decision by, a hearing officer; all post-hearing procedures; and any other procedural right available under section 1053 of the CFP Act, 12 U.S.C. § 5563, or 12 C.F.R. Part 1081;
- d. The right to seek any administrative or judicial review of the Consent Order;
- e. Any claim for fees, costs or expenses against the CFPB, or any of its agents or employees, and any other governmental entity, related in any way to this enforcement matter or the Consent Order, whether arising under common law or under the terms of any statute, including, but not limited to the Equal Access to Justice Act and the Small Business Regulatory Enforcement Fairness Act of 1996; for these purposes, Respondent agrees that Respondent is not the prevailing party in this action because the parties have reached a good faith settlement;
- f. Any other right to challenge or contest the validity of the Consent Order;
- g. Such provisions of the CFPB's rules or other requirements of law as may be


construed to prevent any CFPB employee from participating in the preparation of, or advising the Director of the CFPB as to, any order, opinion, finding of fact, or conclusion of law to be entered pursuant to the Stipulation; and

- h. Any right to claim bias or prejudgment by the Director of the CFPB based on the consideration of or discussions concerning settlement of all or any part of the proceeding.

The undersigned directors of American Express Centurion Bank each acknowledges having read the Consent Order and approves of the consent thereto by American Express Centurion Bank.

  
\_\_\_\_\_  
Lynn A. Carter

12-19-13  
Date

  
\_\_\_\_\_  
Paul D. Fabara

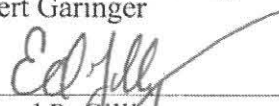
12/17/13  
Date

  
\_\_\_\_\_  
Maria J. Garcia

12-18-13  
Date

  
\_\_\_\_\_  
Robert Garinger


12/17/13  
Date

  
\_\_\_\_\_  
Edward P. Gilligan

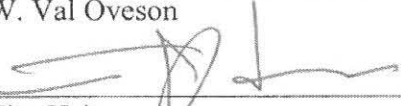
12/17/13  
Date

  
\_\_\_\_\_  
Edward D. Miller


12/17/13  
Date

  
\_\_\_\_\_  
W. Val Oveson

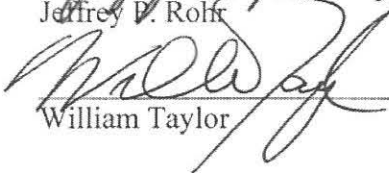
12-17-13  
Date

  
\_\_\_\_\_  
Tim Heine

12/17/13  
Date

  
\_\_\_\_\_  
Jeffrey D. Rohr

12/17/13  
Date

  
\_\_\_\_\_  
William Taylor

12-17-13  
Date