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OCC Assesses \$25 Million Penalty Against Bank of America, N.A. and FIA Card Services, N.A.; Orders \$459.5 Million in Restitution to Customers for Unfair Billing Practices

WASHINGTON – The Office of the Comptroller of the Currency (OCC) today assessed a \$25 million penalty against Bank of America, N.A., Charlotte, North Carolina, and its credit card subsidiary FIA Card Services, N.A., Wilmington, Delaware, (collectively, the bank), and ordered restitution totaling approximately \$459.5 million to 1.9 million consumer accounts.

The OCC found that the bank’s billing practices violated Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a)(1), which prohibits unfair and deceptive acts or practices. The \$25 million civil money penalty reflects a number of factors, including the scope and duration of the violation and financial harm to consumers from the unfair practices. The penalty will be paid to the U.S. Treasury.

Consumers eligible for restitution include those who were unfairly billed for identity theft protection products marketed and sold by the bank and its vendors. The restitution ordered by the OCC will benefit consumers who enrolled in and paid for identity theft protection products between October 2000 and September 2011 but did not receive the full benefit of the products. The restitution will include the full amount paid for these products, plus any associated over-limit fees and finance charges.

The OCC order also requires the bank to improve governance of third-party vendors associated with “add-on” consumer products and submit a risk management program for “add-on” consumer products marketed or sold by the bank or its vendors.

The OCC is coordinating its action with the Consumer Financial Protection Bureau (CFPB), which also issued a separate order today against the bank based, in part, on unfair billing for identity theft protection products. The CFPB ordered the bank to pay a \$20 million civil money penalty and ordered restitution to harmed consumers. Restitution payments made by the bank to these consumers pursuant to the OCC’s order will also satisfy identical obligations required by the CFPB action.

Related Links

- [Consent Order](#) (PDF)
- [Consent Order for Civil Money Penalty](#) (PDF)

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