



DEPARTMENT OF THE ATTORNEY GENERAL

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DAVID M. LOUIE
ATTORNEY GENERAL

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**STATE OF HAWAII ATTORNEY GENERAL DAVID M. LOUIE ANNOUNCES \$11.3
MILLION SETTLEMENT INVOLVING DECEPTIVE CREDIT CARD BUSINESS
PRACTICES**

***Hawaii Has Settled Lawsuit on Deceptive Marketing of Credit Card Payment
Protection Plans with Bank of America, Chase, Discover, and Citibank***

HONOLULU – Attorney General David M. Louie announced today that the State of Hawaii has reached settlements totaling approximately \$11.3 million to resolve cases against four credit card companies, Bank of America, JP Morgan Chase, Discover Financial Services, and Citibank, regarding marketing practices for credit card payment protection plans alleged by the Attorney General to be deceptive under state law.

"We filed these cases to protect Hawaii consumers and stop illegal and deceptive practices of marketing credit card protection plans," said Attorney General Louie. Consumers were typically solicited by their credit card company via phone or email with misleading sales pitches that omitted important information. Many Hawaii consumers were duped into signing up for a service that they would not have otherwise purchased. The improper conduct included: enrolling consumers without their consent; providing misleading information about free trial periods; distorting plan benefits; billing for services not provided; unfairly charging credit card customers for interest and fees; or denying plan benefits to eligible customers.

"With the resolution of these cases we have taken a strong stance against unfair and deceptive credit card practices," said Attorney General Louie. Louie added that "These cases are important because they put the credit card industry on notice that it will be held accountable if it engages in misleading practices."

Federal enforcement actions involving the Consumer Financial Protection Bureau and the Office of the Comptroller of the Currency and private class action lawsuits have sought and are seeking restitution for Hawaii consumers. The proceeds from these settlements will go to the State General Fund.

The Hawaii Attorney General's office worked with the law firms of Cronin, Fried, Sekiya, Kekina & Fairbanks; Baron and Budd; and Golomb & Honik on these cases.

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