FORM 10-Q

AMERICAN EXPRESS CREDIT CORP - N/A

Filed: November 04, 2008 (period: September 30, 2008)

Quarterly report which provides a continuing view of a company's financial position

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2008

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____ to ____

Commission File No. 1-6908

AMERICAN EXPRESS CREDIT CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**11-1988350** (I.R.S. Employer Identification No.)
One Christina Centre, 301 North Walnut Street Suite 1002, Wilmington, Delaware (Address of principal executive offices)	**19801-2919** (Zip Code)

Registrant's telephone number including area code: **(302) 594-3350**

None

(Former name, former address and former fiscal year, if changed since last report.)
THE REGISTRANT MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION H(1)(a) AND (b) OF FORM 10-Q AND HAS THEREFORE OMITTED CERTAIN ITEMS FROM THIS REPORT IN ACCORDANCE WITH THE REDUCED DISCLOSURE FORMAT PERMITTED UNDER GENERAL INSTRUCTIONS H(2).

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
☒ **Yes** ☐ **No**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	**Accelerated filer** ☐
Non-accelerated filer ☒	**Smaller reporting company** ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
☐ **Yes** ☒ **No**

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 4, 2008
Common Stock (par value $.10 per share)	1,504,938 Shares

AMERICAN EXPRESS CREDIT CORPORATION

FORM 10-Q

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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
(Millions)
(Unaudited)

	Three Months Ended September 30, 2008	Three Months Ended September 30, 2007	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2007
Revenues				
Discount revenue earned from purchased cardmember receivables and loans	$ 569	$ 735	$ 1,818	$ 2,088
Interest income from affiliates	201	168	583	471
Interest income from investments	76	73	219	203
Finance revenue	14	13	31	38
Other	(11)	3	(7)	8
Total revenues	849	992	2,644	2,808
Expenses				
Provision for losses, net of recoveries: 2008, $38; 2007, $46 for the three months ended; 2008, $119; 2007, $135 for the nine months ended	192	194	548	508
Interest expense	345	426	1,061	1,197
Interest expense to affiliates	60	110	215	325
Service fees to affiliates	50	49	152	141
Other	1	2	3	4
Total expenses	648	781	1,979	2,175
Pretax income	201	211	665	633
Income tax provision	12	20	69	69
Net income	189	191	596	564
Retained earnings at beginning of period	3,354	3,260	3,157	3,202
Dividends	(50)	(150)	(260)	(450)
Adoption of FIN 48	—	—	—	(15)
Retained earnings at end of period	$ 3,493	$ 3,301	$ 3,493	$ 3,301

See Notes to Consolidated Financial Statements.

AMERICAN EXPRESS CREDIT CORPORATION

CONSOLIDATED BALANCE SHEETS
(Millions, except share data)
(Unaudited)

	September 30, 2008	December 31, 2007
Assets		
Cash and cash equivalents	$ 4,789	$ 2,925
Investment securities	2,127	2,074
Investment securities restricted	899	970
Cardmember receivables, less reserves: 2008, $717; 2007, $831	22,170	25,504
Cardmember loans, less reserves: 2008, $12; 2007, $10	444	393
Loans to affiliates	11,269	11,201
Deferred charges and other assets	832	409
Due from affiliates	2,418	2,367
Total assets	$ 44,948	$ 45,843
Liabilities and Shareholder's Equity		
Short-term debt	$ 9,388	$ 11,093
Short-term debt to affiliates	8,692	8,682
Current portion of long-term debt	6,229	7,411
Long-term debt	16,444	14,872
Total debt	40,753	42,058
Accrued interest and other liabilities	555	339
Total liabilities	41,308	42,397
Shareholder's Equity		
Common stock, $.10 par value, authorized 3 million shares; issued and outstanding 1.5 million shares	1	1
Capital surplus	161	161
Retained earnings	3,493	3,157
Accumulated other comprehensive income (loss), net of tax:		
Net unrealized securities gains	15	28
Net unrealized derivatives losses	(14)	(30)
Foreign currency translation adjustments	(16)	129
Total accumulated other comprehensive (loss) income	(15)	127
Total shareholder's equity	3,640	3,446
Total liabilities and shareholder's equity	$ 44,948	$ 45,843

See Notes to Consolidated Financial Statements.

AMERICAN EXPRESS CREDIT CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Millions)
(Unaudited)

	Nine Months Ended September 30, 2008	2007
Cash Flows from Operating Activities		
Net income	$ 596	$ 564
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for losses	667	643
Amortization and other	(1)	8
Deferred taxes	31	(26)
Changes in operating assets and liabilities:		
Due from affiliates	67	19
Other operating assets and liabilities	30	4
Net cash provided by operating activities	1,390	1,212
Cash Flows from Investing Activities		
Net decrease in cardmember receivables and loans	2,394	134
Purchase of investments	(598)	—
Maturities of investments	600	—
Net increase in loans to affiliates	(559)	(447)
Net increase in due from affiliates	(117)	(1,326)
Net cash provided by (used in) investing activities	1,720	(1,639)
Cash Flows from Financing Activities		
Net increase (decrease) in short-term debt to affiliates with maturities of ninety days or less	10	(845)
Net (decrease) increase in short-term debt with maturities of ninety days or less	(2,667)	3,120
Issuance of debt	12,825	5,562
Redemption of debt	(11,154)	(4,769)
Dividends paid	(260)	(450)
Net cash (used in) provided by financing activities	(1,246)	2,618
Effect of exchange rate changes on cash and cash equivalents	—	(11)
Net increase in cash and cash equivalents	1,864	2,180
Cash and cash equivalents at beginning of period	2,925	737
Cash and cash equivalents at end of period	$ 4,789	$ 2,917

See Notes to Consolidated Financial Statements.

1. Basis of Presentation

American Express Credit Corporation, together with its subsidiaries (Credco), is a wholly-owned subsidiary of American Express Travel Related Services Company, Inc. (TRS), which is a wholly-owned subsidiary of American Express Company (American Express).

The accompanying Consolidated Financial Statements should be read in conjunction with the financial statements in the Annual Report on Form 10-K of Credco for the year ended December 31, 2007. Significant accounting policies disclosed therein have not changed. Certain prior year amounts have been reclassified to conform to the current year presentation of the Consolidated Statements of Cash Flows related to deferred taxes.

The interim financial information in this report has not been audited. In the opinion of management, all adjustments necessary for a fair statement of the consolidated financial position and the consolidated results of operations for the interim periods have been made. All adjustments made were of a normal, recurring nature. Results of operations reported for interim periods are not necessarily indicative of results for the entire year.

Accounting estimates are an integral part of the Consolidated Financial Statements. These estimates are based, in part, on management's assumptions concerning future events. Among the more significant assumptions are those that relate to reserves for cardmember losses relating to cardmember receivables and loans, and income taxes. These accounting estimates reflect the best judgment of management, but actual results could differ.

Recently Issued Accounting Standards

Effective January 1, 2008, Credco partially adopted the Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards (SFAS) No. 157, "Fair Value Measurements" (SFAS No. 157). SFAS No. 157 applies broadly to financial and non-financial assets and liabilities reported or disclosed at fair value under existing authoritative accounting pronouncements. FASB Staff Position (FSP) FAS 157-2, "Effective Date of FASB Statement No. 157" (FSP FAS 157-2), delays the effective date of SFAS No. 157 for non-financial assets and non-financial liabilities, except for items that are recognized or disclosed at fair value in Credco's financial statements on a recurring basis (at least annually), until its fiscal year beginning after November 15, 2008, including interim periods within that fiscal year (January 1, 2009 for Credco). In accordance with FSP FAS 157-2, Credco has partially adopted SFAS No. 157 and has not applied the provisions of SFAS No. 157 to its equipment balances. Credco does not have any goodwill, intangible assets, land, or buildings that require the application of FAS 157. On January 1, 2009, the adoption of SFAS No. 157 for its non-financial assets is not expected to have a significant impact on Credco's financial position or results of operations.

Credco's partial adoption of SFAS No. 157 did not result in significant changes to the valuation techniques it had previously used to measure the fair value of its financial instruments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date, and is based on the company's principal or most advantageous market for the specific asset or liability. The primary impact to Credco upon its partial adoption of SFAS No. 157 is the expanded disclosure requirements. There were no impacts to the Consolidated Financial Statements.

On October 10, 2008, the FASB issued FSP No. FAS 157-3 "Determining the Fair Value of a Financial Asset When the Market for that Asset is Not Active" (FSP FAS 157-3), which applies to financial assets that are required or permitted to be measured at fair value in accordance with SFAS No. 157. FSP FAS 157-3 clarifies the application of SFAS No. 157 in a market that is not active and provides an example to illustrate key considerations in determining the fair value of a financial asset when the market for that asset is not active. FSP FAS 157-3 is effective, and was adopted by Credco as of September 30, 2008. The adoption did not have a significant impact on Credco's financial position or results of operations, nor did it have a significant impact on the valuation techniques used by Credco in measuring the fair value of its financial assets. Refer to Note 4, which provides further details on Credco's partial adoption of SFAS No. 157 and related pronouncements.

Effective January 1, 2008, Credco adopted SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities – Including an Amendment of FASB Statement No. 115" (SFAS No. 159). SFAS No. 159 allows companies the option to irrevocably elect, on a contract by contract basis, fair value as the initial and subsequent measurement for certain financial assets and financial liabilities. Credco has not elected the option for fair value measurement under SFAS No. 159 for any additional financial assets or financial liabilities that were not previously recognized at fair market value.

As disclosed in Credco's Form 10-K for the year ended December 31, 2007, SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements," which is effective for Credco beginning January 1, 2009, is currently being evaluated for possible impact to Credco upon adoption.

During 2008, the FASB has issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities - an amendment of FASB Statement No. 133" (SFAS No. 161), amends and expands the disclosure requirements of SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS No. 133), requiring enhanced disclosures about Credco's derivative and hedging activities. Under SFAS No. 161, Credco is required to provide disclosures about (a) how and why it uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under SFAS No. 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect Credco's financial position, results of operations, and cash flows. SFAS No. 161 is effective prospectively beginning January 1, 2009, and applies to derivative instruments existing at the reporting date, with comparative disclosures of earlier periods encouraged upon initial adoption. Credco is currently evaluating the impact of this accounting standard.

2. Investment Securities

The following is a summary of investment securities at September 30, 2008 and December 31, 2007:

Available-for-Sale	**2008**				**2007**			
(Millions)	**Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Estimated Fair Value**	**Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Estimated Fair Value**
U.S. Treasury and government agency securities	$ 2,116	$ 13	$ (2)	$ 2,127	$ 2,048	$ 26	$ —	$ 2,074
U.S. Treasury and government agency securities – restricted[(a)]	886	13	—	899	953	17	—	970
Total[(b)]	$ 3,002	$ 26	$ (2)	$ 3,026	$ 3,001	$ 43	$ —	$ 3,044

(a) U.S. Treasury and government agency securities - restricted represented securities loaned out on an overnight basis to financial institutions under the securities lending program.

(b) Total investment securities include $2.6 billion of senior debentures issued by Government Sponsored Entities (Fannie Mae and Freddie Mac) at September 30, 2008 and December 31, 2007.

All of Credco's investment securities are classified as Available-for-Sale. There were no realized gains or losses on U.S. Treasury and government agency securities for the nine months ended September 30, 2008.

Under securities lending agreements, Credco lends certain investment securities on an overnight basis to financial institutions. These lending arrangements are collateralized by an amount equal to at least 102 percent of the fair value of the investment securities lent. Collateral received by Credco can be in the form of cash or marketable U.S. Treasury or government agency securities. Credco may only retain or sell these securities in the event of a borrower default. Credco's loaned investment securities are considered restricted and pledged assets and, therefore, have been reclassified as investment securities restricted on the Consolidated Balance Sheet. The marketable securities received as collateral are not recorded in its Consolidated Balance Sheet, as Credco is not permitted to sell or repledge these securities absent a borrower default. Fees received from the securities lending transactions are recorded as interest income from investments.

3. Comprehensive Income

The components of comprehensive income, net of related tax, were as follows:

(Millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net income	$ 189	$ 191	$ 596	$ 564
Other comprehensive income (loss):				
Net unrealized securities (losses) gains	(15)	19	(13)	11
Net unrealized derivatives gains (losses)	23	(25)	16	(13)
Foreign currency translation adjustments	(199)	36	(145)	95
Total	$ (2)	$ 221	$ 454	$ 657

4. Fair Value Measurements

Effective January 1, 2008, Credco partially adopted SFAS No. 157 for its financial assets and liabilities that are accounted for at fair value. Effective September 30, 2008, Credco adopted FSP FAS 157-3, a clarification of the principles contained within SFAS No. 157. SFAS No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Credco's partial adoption of SFAS No. 157 did not result in significant changes to the valuation techniques it had previously used to measure the fair value of its financial assets and liabilities. Therefore, the primary impact to Credco upon its partial adoption of SFAS No. 157 was to expand its fair value measurement disclosures.

SFAS No. 157 established a three-level hierarchy of valuation techniques used to measure fair value, defined as follows:

- Unadjusted Quoted Prices – The fair value of an asset or liability is based on unadjusted quoted prices, in active markets for identical assets or liabilities. An example would be a marketable equity security that is actively traded on the New York Stock Exchange. (Level 1)
- Pricing Models with Significant Observable Inputs – The fair value of an asset or liability is based on information derived from either an active market quoted price, which may require further adjustment based on the attributes of the financial asset or liability being measured, or an inactive market transaction. Examples of such instruments would include (i) a quoted price for an actively traded equity investment that is adjusted for a contractual trading restriction, or (ii) the fair value derived from a trade of an identical or similar security in an inactive market. (Level 2)
- Pricing Models with Significant Unobservable Inputs – The fair value of an asset or liability is primarily based on internally derived assumptions surrounding the timing and amount of expected cash flows for the financial instrument. Therefore, these assumptions are unobservable in either an active or inactive market. An example would be the retained subordinated interest in a securitization trust. (Level 3)

The following table presents Credco's financial instruments carried at fair value as of September 30, 2008, by caption on the Consolidated Balance Sheet and by SFAS No. 157 fair value hierarchy level (as described previously).

Assets and Liabilities Measured at Fair Value on a Recurring Basis:

(Millions)	Total Carrying Value in the Consolidated Balance Sheet at September 30, 2008	Fair Value Hierarchy Level (a)
Assets		
Investment securities (b)	$ 3,026	2
Deferred charges and other assets - Derivatives, net (c)	122	2
Total assets at fair value	$ 3,148	
Liabilities		
Accrued interest and other liabilities - Derivatives, net (c)	$ 206	2
Total liabilities at fair value	$ 206	

(a) The level in the fair value hierarchy to which an asset or liability is classified is based upon the lowest level of input that is significant to the fair value measurement. Credco does not have any financial assets or liabilities categorized within Level 1 or Level 3 of the fair value hierarchy.

(b) See Note 2 of Credco's Consolidated Financial Statements for details of investment securities.

(c) Financial Interpretation No. 39, "Offsetting of Amounts Related to Certain Contracts" (FIN 39), permits the netting of derivative receivables and derivative payables when a legally enforceable master netting agreement exists between Credco and its derivative counterparty. At September 30, 2008, $5 million has been offset against the derivative assets and liabilities representing the impact of legally enforceable master netting agreements that provide for the net settlement of all contracts in accordance with FIN 39.

Description of Financial Assets and Liabilities Fair Value Methodologies

The following is a description of the valuation techniques used for the respective financial instruments when measured at fair value, including the general classification of such items pursuant to the fair value hierarchy. These techniques may produce fair values that may not be indicative of a future sale, or reflective of future fair values. The use of different techniques to determine the fair value of these types of financial instruments could result in different estimates of fair value at the reporting date.

Investment Securities

The fair market values for Credco's available-for-sale investments are obtained primarily from third-party pricing services engaged by Credco. When available, quoted market prices are used to determine fair value. When quoted prices are available in an active market, investments are classified within Level 1 of the fair value hierarchy. Currently, Credco does not have any Level 1 investment securities.

When quoted prices in an active market are not available, fair values are estimated by using pricing models, where the inputs to those models are based on observable market inputs. The inputs to the valuation techniques applied by the pricing services vary depending on the type of security being priced but are typically benchmark yields, reported trades, broker-dealer quotes, all with reasonable level of transparency. The pricing models used generally do not entail substantial subjectivity because the methodologies employed use inputs observed from active markets or recent trades of similar securities in inactive markets.

The pricing services do not apply any adjustments to the pricing models used, nor does Credco apply any adjustments to prices received from the pricing services. All of Credco's investment securities are classified as Level 2 of the fair value hierarchy.

Credco has a thorough and documented understanding of the valuation techniques used by its pricing services. In addition, Credco corroborates the prices provided by its pricing services to test their reasonableness by comparing their prices to valuations from different pricing sources.

Deferred Charges and Other Assets and Accrued Interest and Other Liabilities – Derivatives, net

The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters. The valuation models used by Credco are consistently applied and reflect the contractual terms of the derivatives, including the period to maturity, and market-based parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgment, and inputs to the models are readily observable from actively quoted markets.

Market practice in pricing derivatives initially assumes all counterparties have the same credit quality. Credit valuation adjustments are necessary when the market parameter (for example, a benchmark curve) used to value derivatives is not indicative of the credit quality of Credco or its counterparties. Credco manages derivative counterparty credit risk by considering the current exposure, which is the replacement cost of contracts on the measurement date, as well as estimating the maximum potential value of the contracts over their remaining lives, considering such factors as maturity date and the volatility of the underlying or reference index. To mitigate derivative credit risk, counterparties are required to be pre-approved and rated as investment grade. Counterparty risk exposures are monitored by American Express' Institutional Risk Management Committee (IRMC). The IRMC formally reviews large institutional exposures to ensure compliance with Enterprise-wide Risk Management Committee guidelines and procedures and determines the risk mitigation actions, when necessary. Additionally, Credco may, on occasion, enter into master netting agreements. As of September 30, 2008, IRMC has evaluated the credit and non-performance risks associated with Credco's derivative counterparties and believes them to be insignificant and not warranting a credit adjustment.

Credco's derivatives primarily include interest rate swaps, foreign currency forwards, foreign currency options, and cross currency swaps. Such instruments are classified within Level 2 of the fair value hierarchy.

5. Income Taxes

The results of operations of Credco are included in the consolidated U.S. federal income tax return of American Express. Under an agreement with TRS, provision for income taxes is recognized on a separate company basis. If benefits for net operating losses, future tax deductions and foreign tax credits cannot be recognized on a separate company basis, such benefits are then recognized based upon a share, derived by formula, of those deductions and credits that are recognizable on a TRS consolidated reporting basis.

American Express is under continuous examination by the Internal Revenue Service (IRS) and tax authorities in other countries and states in which American Express has significant business operations. The tax years under examination and open for examination vary by jurisdiction. In June 2008, the IRS completed its field examination of American Express' federal tax returns for the years 1997 through 2002. However, for federal income tax purposes, these years continue to remain open as a consequence of certain issues under appeal. American Express is currently under examination by the IRS for the years 2003 and 2004.

Credco had approximately $69 million and $55 million of unrecognized tax benefits at September 30, 2008 and December 31, 2007, respectively. The change is primarily due to an increase in unrecognized tax benefits relating to the attribution of pretax income to a particular jurisdiction or jurisdictions.

Credco routinely assesses the likelihood of additional assessments in each taxing jurisdiction and has established a liability for unrecognized tax benefits that Credco's management believes to be adequate. Once established, unrecognized tax benefits are adjusted if more accurate information is available, or a change in circumstance, or an event occurs necessitating a change to the liability. It is reasonably possible that the unrecognized tax benefits may significantly increase or decrease within the next twelve months. Due to the inherent complexities and the number of tax years currently under examination, it is not possible to quantify the impact such changes may have on the effective tax rate.

Credco's effective tax rate was 6 percent and 10 percent for the three and nine months ended September 30, 2008, respectively, compared with 7 percent for the full year 2007. The effective tax rate was higher for the nine months ended September 30, 2008 as compared to 2007 primarily due to the attribution and change in the geographic mix of pretax income among various jurisdictions.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

American Express Credit Corporation, together with its subsidiaries (Credco), is a wholly-owned subsidiary of American Express Travel Related Services Company, Inc. (TRS), a wholly-owned subsidiary of American Express Company (American Express). Credco is primarily engaged in the business of financing non-interest-bearing cardmember receivables arising from the use of the American Express® card, the American Express® Gold card, Platinum card®, Corporate card and other American Express cards issued in the United States, and in designated currencies outside the United States. Credco also purchases certain interest-bearing and discounted revolving loans comprised of American Express credit cards and Sign & Travel®, although interest-bearing and revolving loans are primarily funded by subsidiaries of TRS other than Credco. American Express charge cards and credit cards are collectively referred to herein as the Card.

In 2007, Credco made changes to certain international funding strategies that have generally resulted in the transfer of receivables with recourse to Credco from certain TRS subsidiaries. Prior to these funding strategy changes, Credco purchased the cardmember receivables without recourse and recorded the receivables as cardmember receivables. These funding strategy changes resulted in Credco recording additional loans to affiliates and a reduction in cardmember receivables.

<u>Current Economic Environment/Outlook</u>

Recently, concerns over the availability and cost of credit, the U.S. mortgage market, a declining real estate market in the United States, unemployment, the prospects of a global recession and geopolitical issues have contributed to increased volatility and diminished expectations for the economy and the markets. In the latter part of the third quarter and into October of 2008, American Express experienced slowing cardmember spending and loan volumes as increasing stress in the worldwide financial markets further eroded consumer and business confidence levels. Based on recent trends, Credco expects consumer and business sentiment will likely deteriorate further and will translate into weaker economies around the globe well into 2009. Credco also expects unemployment will increase substantially in 2009, resulting in an environment in which cardmember spending is likely to be very soft and loan growth restrained.

As further discussed in the Funding section below, since late September 2008, the market for unsecured term debt generally has been unavailable to all institutions, including Credco. However, Credco has continued to issue commercial paper. Its commercial paper issuances have occurred in similar daily average amounts and comparable rates but at shorter weighted average maturities than Credco's historic trend. Credco's shorter maturities are consistent with changes in issuance maturities occurring across the overall commercial paper market, as reported by the Federal Reserve. The shortening of the maturities in the commercial paper markets makes it more difficult for Credco to manage its day-to-day cash flow.

On October 7, 2008, the Federal Reserve Board (the Board) announced the creation of the Commercial Paper Funding Facility (CPFF). The CPFF provides three month liquidity to U.S. issuers of commercial paper through a special purpose vehicle (SPV), which purchases three month unsecured and asset-backed commercial paper from authorized issuers, using financing provided by the Federal Reserve Bank of New York. On October 29, 2008, Credco, in addition to issuing commercial paper to its existing investor base, sold commercial paper to the SPV, as further discussed in the Consolidated Liquidity and Capital Resources section.

In October 2008, American Express moved to increase its flexibility in funding U.S. consumer and small business charge card receivables by amending the receivables purchase agreements between each of Credco and American Express Centurion Bank (Centurion Bank) and American Express Bank, FSB (FSB), (together, the Banks). The previous agreements called for the Banks, which issue American Express' U.S. consumer and small business charge cards, to sell all unsecuritized receivables related to spending on those cards to Credco. The amended agreements will give the Banks the flexibility to continue to sell the receivables to Credco or to retain the receivables and fund them from their own sources. These amendments will allow American Express to shift from time-to-time the funding of those receivables from Credco to the Banks. Credco, which raises funds for the purpose of buying receivables principally through the sale of commercial paper, including through the Federal Reserve's CPFF as well as medium- and long-term debt securities, can transfer proceeds of its funding activities in excess of its needs broadly to other subsidiaries of American Express, including to the Banks. The new arrangements between Credco and the Banks will have no impact on Credco's funding of U.S. corporate charge card receivables and charge card receivables outside the U.S.

Credco believes the above developments will lead to a material reduction of purchases of cardmember receivables and loans. However, it is not expected that these reductions will have a material impact on the ratio of earnings to fixed charges.

Results of Operations for the Nine Months Ended September 30, 2008 and 2007

Pretax income depends primarily on the volume of cardmember receivables and loans purchased, the discount factor used to determine purchase price, the relationship of the total discount to Credco's interest expense and the collectibility of cardmember receivables and loans purchased.

Credco's consolidated net income increased 6 percent to $596 million for the nine months ended September 30, 2008, as compared to the nine months ended September 30, 2007. The year-over-year increase was primarily due to a decrease in interest expense and an increase in interest income earned on loans to affiliates, partially offset by a decrease in discount revenue and an increase in provision for losses, net of recoveries.

The following table summarizes the changes attributable to the increase (decrease) in key revenue and expense accounts for the nine month period ended September 30, 2008, compared with the nine month period ended September 30, 2007 (millions):

Discount revenue earned on purchased cardmember receivables and loans:		
Volume of receivables purchased	$	(107)
Discount rates		(163)
Total	$	(270)
Interest income from affiliates:		
Average loans to affiliates	$	88
Interest rates		24
Total	$	112
Interest income from investments:		
Average investments outstanding	$	136
Interest rates		(120)
Total	$	16
Provision for losses, net of recoveries:		
Volume of receivables and loans purchased	$	(28)
Provision rates and volume of recoveries		68
Total	$	40
Interest expense:		
Average debt outstanding	$	136
Interest rates		(272)
Total	$	(136)
Interest expense to affiliates:		
Average debt outstanding	$	64
Interest rates		(174)
Total	$	(110)

Discount Revenue Earned on Purchased Cardmember Receivables and Loans

Discount revenue decreased 13 percent or $270 million to $1.8 billion for the nine months ended September 30, 2008, as compared to the nine months ended September 30, 2007, due to a decrease in both discount rates and the volume of receivables purchased. Discount rates, which vary over time due to changes in market interest rates or changes in the collectibility of cardmember receivables, decreased an average of approximately 8 basis points compared to the nine months ended September 30, 2007. Volume of receivables and loans purchased for the nine months ended September 30, 2008, was 4 percent lower than the same period a year ago; purchased volume does not include those cardmember receivables transferred with recourse to Credco and cardmember receivables and loans funded by loans to affiliates.

Interest Income from Affiliates

Interest income from affiliates increased 24 percent or $112 million to $583 million for the nine months ended September 30, 2008, as compared to the nine months ended September 30, 2007. The year-over-year increase is due to an increase in both the volume of loans to affiliates, and to a lesser extent the interest rates charged to affiliates. The average volume of loans to affiliates increased due to a change in international funding strategy as further discussed above. The average interest rate charged to affiliates during the nine months ended September 30, 2008, was 20 basis points higher than the average interest rate charged to affiliates in the same nine month period a year ago.

Interest Income from Investments

Interest income from investments increased 8 percent or $16 million to $219 million for the nine months ended September 30, 2008, as compared to the nine months ended September 30, 2007. The year-over-year increase is due to an increase in the average outstanding amount of cash and cash equivalents offset by the decrease of the average interest rate on the total investment portfolio of approximately 135 basis points for the nine months ended September 30, 2008, as compared to the same nine month period a year ago. The increase in cash and cash equivalents reflects the issuance of short- and long-term debt that was in excess of Credco's business operating needs, and investment of the excess proceeds in cash equivalents.

Provision for Losses, Net of Recoveries

The provision for losses, net of recoveries increased 8 percent or $40 million to $548 million for the nine months ended September 30, 2008, as compared to the nine months ended September 30, 2007. The year-over-year increase primarily reflects higher write-off and delinquency rates compared to the same period a year ago, reflecting a more difficult U.S. credit environment, partially offset by a reduction in the volume of receivables purchased.

Interest Expense and Interest Expense to Affiliates

Interest expense and interest expense to affiliates decreased 11 percent and 34 percent, respectively, for the nine months ended September 30, 2008, as compared to the same period a year ago, due to lower interest rates, partially offset by higher average debt outstanding. The average interest rate on debt outstanding during the nine months ended September 30, 2008, was 81 basis points lower than the same period a year ago. The average rate due to affiliates during the nine months ended September 30, 2008, was 181 basis points lower than the same period a year ago.

Service Fees to Affiliates

Credco pays fees to affiliates for the related servicing of the receivables purchased. Service fees to affiliates increased 8 percent or $11 million to $152 million for the nine months ended September 30, 2008, as compared to the nine months ended September 30, 2007, due to an increase in servicing provided by service level agreements with affiliates.

Income Taxes

Credco's effective tax rate for the nine months ended September 30, 2008 was 10 percent compared with 11 percent for the nine month period ended September 30, 2007.

Cardmember Receivables

At September 30, 2008 and December 31, 2007, Credco owned $22.9 billion and $26.3 billion of cardmember receivables, respectively. Cardmember receivables represent amounts due from charge card customers and are recorded at the time they are purchased from the seller. Included in cardmember receivables are Credco Receivables Corporation (CRC)'s purchases of the participation interests from American Express Receivables Financing Corporation V LLC (RFC V) in conjunction with TRS' securitization program. At September 30, 2008 and December 31, 2007, CRC owned approximately $1.7 billion and $5.7 billion, respectively, of participation interests purchased from RFC V.

The following table summarizes selected information related to the cardmember receivables portfolio:

As of and for nine months ended (Millions, except percentages)	September 30, 2008	December 31, 2007	September 30, 2007
Total cardmember receivables	$ 22,887	$ 26,335	$ 26,855
90 days past due as a % of total	4.3%	4.0%	3.6%
Loss reserves	$ 717	$ 831	$ 746
as a % of receivables	3.1%	3.2%	2.8%
as a % of 90 days past due	73%	77%	76%
Write-offs, net of recoveries	$ 560	$ 499	$ 476
Net write-off rate (a)	0.27%	0.22%	0.22%
Average life of cardmember receivables (in days) (b)	33	33	34

(a) Credco's write-offs, net of recoveries, expressed as a percentage of the volume of cardmember receivables purchased by Credco in each of the periods indicated.

(b) Represents the average life of cardmember receivables owned by Credco, based upon the ratio of the average amount of both billed and unbilled receivables owned by Credco at the end of each month, during the periods indicated, to the volume of cardmember receivables purchased by Credco.

Cardmember receivables owned at September 30, 2008, decreased approximately $3.4 billion from December 31, 2007, as a result of the CRC sale of approximately $1.9 billion, net of reserve, of gross seller's interest in the charge cardmember receivables to RFC V, as well as lower receivables purchased during the nine months ended September 30, 2008. The cardmember receivables purchased for the nine months ended September 30, 2008, decreased approximately 4 percent from the cardmember receivables purchased during the nine months ended September 30, 2007.

Reserves for Cardmember Receivables and Cardmember Loans

The following is an analysis of the reserves for cardmember receivables and cardmember loans:

Nine months ended (Millions)	September 30, 2008	September 30, 2007
Balance, beginning of period	$ 841	$ 749
Provision for losses (a)	548	508
Accounts written-off (a)	(568)	(482)
Other	(92)	(20)
Balance, end of period	$ 729	$ 755

(a) Includes recoveries on accounts previously written-off of $119 million and $135 million during the nine months ended September 30, 2008 and 2007, respectively.

Loans to Affiliates

Components of loans to affiliates were as follows:

(Millions)	September 30, 2008	December 31, 2007	September 30, 2007
TRS Subsidiaries:			
American Express Australia Limited	$ 3,994	$ 3,897	$ 3,803
American Express Services Europe Limited	2,971	3,659	3,628
Amex Bank of Canada	2,627	2,664	2,586
American Express International, Inc.	861	535	510
American Express Co. (Mexico) S.A. De C.V.	476	446	432
American Express Bank (Mexico) S.A.	340	—	—
Total	$ 11,269	$ 11,201	$ 10,959

Loans to affiliates increased from 2007 as a result of funding strategy changes as previously discussed, as well as overall business growth. Of the $11.3 billion outstanding of loans to affiliates, approximately $7.4 billion are collateralized by the underlying cardmember receivables transferred with recourse. Additionally, as part of this funding strategy, Credco loaned approximately $340 million to American Express Bank (Mexico) S.A.

In October 2008, Credco loaned $1.7 billion to Centurion Bank and $1.5 billion to FSB, as a consequence of the amendment of the receivables purchase agreements, described earlier.

Due from Affiliates

At both September 30, 2008 and December 31, 2007, due from affiliates was $2.4 billion. These amounts relate primarily to a timing difference resulting from the purchase of cardmember receivables net of remittances from TRS, which are settled in the subsequent month in the normal course of business.

Short-term Debt to Affiliates

Components of short-term debt to affiliates were as follows:

(Millions)	September 30, 2008	December 31, 2007	September 30, 2007
American Express	$ 4,072	$ 1,953	$ 2,001
AE Exposure Management Ltd.	2,427	2,240	2,123
TRS	1,485	1,808	1,965
National Express Company, Inc.	106	2,083	2,083
American Express Publishing Corp.	61	93	74
Other	541	505	495
Total	$ 8,692	$ 8,682	$ 8,741

Short-term debt to affiliates consists primarily of master note agreements for which there is no stated term. Credco does not expect any changes to its short-term funding strategies with affiliates.

Impact of Capital Markets Environment

The global money and capital markets have been experiencing periods of liquidity disruption and rate volatility for more than 12 months. Liquidity, rate, and credit concerns were further exacerbated during September 2008, fed by heightened concerns about the global financial system after the Lehman Brothers' Holding Company (Lehman) bankruptcy, the sale of Merrill Lynch to Bank of America, the U.S. government conservatorship of Fannie Mae and Freddie Mac, the U.S. government's loan to American International Group, Inc., and similar instances of banking and financial distress and government action in the United Kingdom, Europe, and elsewhere. If these unprecedented levels of volatility and disruption experienced since September continue or worsen, Credco's funding capabilities, liquidity position, and investment portfolios will be further impacted.

Funding

Credco is committed to maintaining cost-effective, well-diversified funding programs to support current and future asset growth in its global businesses. Credco's funding plan is structured to meet expected and changing business needs to fund asset balances efficiently and cost-effectively. Credco relies on diverse sources of funding, with wide ranges of maturities, and its contingent liquidity strategy allows for the continued funding of business operations through difficult economic, financial market and business conditions when access to regular funding sources could become diminished or interrupted. Credco's funding plans are subject to various risks and uncertainties, such as future business growth, market capacity and demand for securities offered by Credco and regulatory changes. Many of these risks and uncertainties are beyond Credco's control.

Notwithstanding the difficult conditions in the financial markets during the past year, Credco has satisfied all maturing obligations and funded its growth through the end of the third quarter by accessing a variety of its funding sources, including long- and short-term debt. Credco's issuances of debt securities through September have, similar to most issuances across capital markets, included spreads above benchmark rates that are significantly greater than those on similar issuances completed during the prior several years. Since late September 2008, the market for unsecured term debt generally has been unavailable to all financial institutions, including Credco. However, Credco has continued to issue commercial paper. Its commercial paper issuances have occurred in similar daily average amounts and comparable rates but at shorter weighted average maturities than Credco's historic trend. Credco's shorter maturities are consistent with the changes in issuance maturities occurring across the overall commercial paper market, as reported by the Federal Reserve. The shortening of the maturities in the commercial paper markets makes it more difficult for Credco to manage its day-to-day cash flow. Refer to Consolidated Liquidity and Capital Resources section for Credco's use of the CPFF.

Credco regularly seeks to expand the capacity and diversity of its funding sources. In August 2008, Credco commenced an InterNotes® program that offers retail investors the opportunity to make unsecured medium- and long-term fixed income investments in Credco. Credco has raised over $400 million of funding under this program through October 31, 2008.

The mix of Credco's funding sources will seek to achieve cost-efficiency consistent with its funding and liquidity strategies. Further disruptions and continued turmoil in the financial markets could result in changes in the amount, mix and cost of financing it obtains in the future from its existing funding sources. Credco's ability to obtain financing in the debt capital market for unsecured term debt is subject to a renewal of investor demand that existed prior to the current heightened period of turmoil. Credco has registered and obtained authorization to access one of the U.S. government programs recently enacted to stabilize the credit markets (see further discussion below).

Recently, three of the four credit rating agencies that rate Credco provided updates on Credco's ratings as follows:

- *Moody's Investors Services (Moody's)* - On October 20, 2008, Moody's lowered the long-term senior ratings of Credco from Aa3 to A1 and revised its outlook of Credco from stable to negative. This change, which brings the ratings for Credco's funding to the same level as other rating agencies, reflects concerns regarding weakness in the broader economy and specific concerns regarding "negative asset quality trends and lending exposures." Moody's affirmed all of its short-term ratings (P-1).

- *Standard & Poor's (S&P)* - On October 21, 2008, S&P placed its long-term ratings on Credco (currently A+) on Creditwatch with negative implications. The rating agency review focuses on the ability of Credco to cope with the current operating environment as well as outlook for credit losses and profitability relative to the current rating level. S&P affirmed its short-term ratings (A1).
- *Dominion Bond Rating Service (DBRS)* - On October 21, 2008, DBRS announced that it has maintained its stable long-term senior ratings of Credco (A (high)).

Maintenance of high and stable debt ratings is critical to ensuring Credco has continuous access to capital and credit markets at cost-effective rates. Historically, credit ratings have had a significant impact on the borrowing capacity and costs of Credco. Credco is in the process of assessing the impact of these updates to ratings in light of the current economic conditions.

<u>*Investment Portfolio*</u>

Credco's investment portfolio primarily supports its contingent liquidity strategy, by investing in U.S. Treasury and government agency securities. Credco's objective is to manage the type and mix of assets as well as their maturity profile in order to ensure the cash and liquidity needs can be met without relying on the sale of investments prior to maturity. As a result, Credco generally holds its investments until their maturity. However, management may sell securities prior to maturity due to the changes in Credco's specific business goals, liquidity needs, and the credit and capital market environment, and therefore, it is important for Credco to invest in securities with adequate market activity to ensure changes to liquidity needs may be met.

All of Credco's investments are classified as Available-for-Sale. Credco reviews its investments at least quarterly and more often as market conditions may require to evaluate their fair values and to identify investments that have indications of other-than-temporary impairments. The determination of other-than-temporary impairments for Available-for-Sale securities is a subjective process, requiring the use of various assumptions and application of judgment.

Government Sponsored Entities

At September 30, 2008, Credco owned approximately $2.6 billion of senior unsecured debentures issued by Government Sponsored Entities (GSEs): Fannie Mae and Freddie Mac. On September 7, 2008, the Federal Housing Finance Agency (FHFA) announced the decision to place Fannie Mae and Freddie Mac into conservatorship run by FHFA. These actions were designed to protect the senior and subordinated debt and the mortgage backed securities of the GSEs and had a slight positive impact to the fair value of these securities. The total net unrealized gains on these securities were approximately $16 million at September 30, 2008.

Valuations of securities held within Credco's investment portfolio will continue to be subject to changes in external market factors including default rates, rating agency actions, and the prices at which observable market transactions occur. Credco's future results may be impacted by the valuation adjustments applied to these holdings.

<u>*Reserve Primary Fund*</u>

At September 30, 2008, Credco owned a $500 million investment in the Reserve Primary Fund (the Fund). The Fund is a money market fund. The net asset value of the Fund fell below $1 per share in September 2008. Credco recorded a loss of $15 million related to its investment in the Fund. Credco filed a redemption order with Reserve, the Fund sponsor in September 2008. Redemptions from the Fund have been delayed. On October 31, 2008, the Fund executed its initial disbursement to fund shareholders representing approximately 51 percent of principal and accrued interest. Credco received repayment of principal and interest totaling $254 million. The timing of receipt of the remaining proceeds cannot be determined at this time. The amount due from the Fund, including amounts received on October 31, 2008, is recorded in deferred charges and other assets in Credco's Consolidated Balance Sheets.

With the exception to its exposure to the Fund, Credco did not experience any defaults or events of default, or determine it would not receive timely contractual payments of interest and repayment of principal, on any of its holdings in its investment portfolio or cash and cash equivalents in the third quarter of 2008.

Fair Value Measurements

Effective January 1, 2008, Credco partially adopted Statement of Financial Accounting Standards (SFAS) No. 157 for its financial assets and liabilities that are accounted for at fair value. SFAS No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Credco's partial adoption of SFAS No. 157 did not result in significant changes to the valuation techniques it had previously used to measure the fair value of its financial assets and liabilities. Therefore, the primary impact to Credco upon its partial adoption of SFAS No. 157 was expanding its fair value measurement disclosures.

Effective September 30, 2008, Credco adopted FSP No. FAS 157-3 "Determining the Fair Value of a Financial Asset When the Market for that Asset is Not Active" (FSP FAS 157-3), which applies to financial assets that are required or permitted to be measured at fair value in accordance with SFAS No. 157, and clarifies the application of SFAS No. 157 for assets in markets that are not active. The adoption of FSP FAS 157-3 did not have a significant impact on Credco's financial position or results of operations, nor did it have a significant impact on the valuation techniques used by Credco in measuring the fair value of its financial assets.

SFAS No. 157 established a three-level hierarchy of valuation techniques used to measure fair value, defined as follows:

- Unadjusted Quoted Prices – The fair value of an asset or liability is based on unadjusted quoted prices, in active markets for identical assets or liabilities. An example would be a marketable equity security that is actively traded on the New York Stock Exchange. (Level 1)
- Pricing Models with Significant Observable Inputs – The fair value of an asset or liability is based on information derived from either an active market quoted price, which may require further adjustment based on the attributes of the financial asset or liability being measured, or an inactive market transaction. Examples of such instruments would include (i) a quoted price for an actively traded equity investment that is adjusted for a contractual trading restriction, or (ii) the fair value derived from a trade of an identical or similar security in an inactive market. (Level 2)
- Pricing Models with Significant Unobservable Inputs – The fair value of an asset or liability is primarily based on internally derived assumptions surrounding the timing and amount of expected cash flows for the financial instrument. Therefore, these assumptions are unobservable in either an active or inactive market. An example would be the retained interest in a securitization trust. (Level 3)

Credco does not have any financial assets or liabilities categorized within Level 1 or Level 3 of the fair value hierarchy. The fair values of Credco's investments are determined using pricing services. See Note 4 of Credco's Consolidated Financial Statements for further details regarding its fair value measurements.

Consolidated Liquidity and Capital Resources

Credco had cash and cash equivalents of approximately $4.8 billion and $2.9 billion at September 30, 2008 and December 31, 2007, respectively.

Credco's funding requirements are met primarily by the sale of commercial paper, the issuance of long-term notes, borrowings under long-term bank credit facilities in certain international markets, intercompany borrowings and equity capital. Credco has satisfied all maturing obligations and funded its growth through the end of the third quarter of 2008 by accessing a variety of its funding sources, including long- and short-term debt.

The commercial paper market represents the primary source of short-term funding for Credco. Credco's commercial paper is a widely recognized name in the money markets and is supported by a diverse base among short-term investors.

The table below illustrates Credco's commercial paper outstanding and back-up liquidity coverage:

(Billions, except percentages)	September 30, 2008	December 31, 2007
Commercial paper outstanding	$ 9.2	$ 10.5
Year to date average commercial paper outstanding	$ 11.9	$ 7.8
Net short-term debt outstanding[(a)]	$ 4.6	$ 7.9
Total back-up liquidity coverage of net short-term debt[(b)]	238%	140%

(a) Credco currently manages the level of short-term debt outstanding, exclusive of short-term debt to affiliates, such that its total back-up liquidity, including maximum available bank credit facilities and term liquidity portfolio investment securities, is not less than 100 percent of net short-term debt. Net short-term debt consists of commercial paper and certain other short-term borrowings less cash and cash equivalents.

(b) Based on the maximum available borrowings under bank credit facilities and term liquidity portfolio investment securities.

As described earlier, on October 7, 2008, the Board announced the creation of the CPFF. The CPFF provides three month liquidity to U.S. issuers of commercial paper through a special purpose vehicle (SPV), which purchases three month unsecured and asset-backed commercial paper from authorized issuers, using financing provided by the Federal Reserve Bank of New York. The commercial paper must be rated at least A1/P1/F1 by a major nationally recognized statistical rating organization (NRSRO) and, if rated by multiple major NRSROs, must be rated at least A1/P1/F1 by two or more NRSROs.

Eligible commercial paper issuers must register with the CPFF in order to sell commercial paper to the SPV. Credco's registration was accepted by the Board on October 23, 2008. The maximum amount of a single issuer's commercial paper the SPV may own at any time is limited to the greatest amount of U.S. dollar denominated commercial paper outstanding on any day between January 1 and August 31, 2008. Credco's greatest amount of commercial paper outstanding during the reference period was approximately $14.7 billion. Credco, as an issuer of unsecured commercial paper, paid a facility fee of approximately $15 million in connection with its registration in the program. Accessing the CPFF will allow Credco to prudently manage its debt maturity and liquidity profiles and provide further diversity to its sources of funding. On October 29, 2008, Credco, in addition to issuing commercial paper to its existing investor base, sold commercial paper to the SPV. The commercial paper sold to the SPV matures on January 27, 2009, and was sold on a discounted basis at an interest rate equal to 1.84 percent per annum. In addition, pursuant to the terms of the CPFF, Credco paid an unsecured credit surcharge equal to 1 percent per annum on the face value of the amount borrowed. The SPV is currently scheduled to cease purchasing commercial paper on April 30, 2009, unless the Board extends the facility. Credco expects to access the funding available through the CPFF from time to time during the life of the facility, subject to market conditions and Credco's continuing to meet the eligibility criteria for participation in the facility.

Long-term debt is raised through the offering of debt securities in the United States and in certain international capital markets. Long-term debt is generally defined as any debt with an original maturity greater than 12 months. Credco continues to issue debt with a range of maturities to diversify the refinancing requirements in future periods.

Credco had the following long-term debt outstanding:

(Billions)	September 30, 2008	December 31, 2007
Long-term debt outstanding	$ 22.7	$ 22.3
Average long-term debt	$ 21.5	$ 22.7

Credco also has the ability to issue debt securities under shelf registrations filed with the Securities and Exchange Commission (SEC). The shelf registration statement filed with the SEC is for an unspecified amount of debt securities to be issued from time to time. During the nine months ended September 30, 2008, Credco issued $5.7 billion of debt securities from its U.S. shelf registration. At September 30, 2008, Credco had $14.3 billion of debt securities outstanding, issued under the SEC registration statements.

Credco, in conjunction with certain subsidiaries of American Express, has established a program for the issuance, outside the United States, of debt instruments to be listed on the Luxembourg Stock Exchange. During the third quarter of 2008, this program was renewed and the maximum aggregate principal amount of debt instruments outstanding at any one time under the program was increased to $50.0 billion. The proceeds of these issuances are used for financing operations, including the purchase of receivables and the repayment of previously issued debt. At September 30, 2008, $4.0 billion was outstanding under this program, of which $2.7 billion was issued by Credco.

Credco established a program in Australia for the issuance of debt securities from time to time of up to approximately $5.0 billion. During the nine months ended September 30, 2008, no notes were issued under this program. At September 30, 2008, approximately $4.3 billion was available for issuance under this program.

During the fourth quarter of 2007, the shelf prospectus previously filed by American Express Canada Credit Corporation (Cancredco), an indirect wholly-owned subsidiary of Credco, in Canada expired for the Canadian medium-term note program. During the first quarter of 2008, a new shelf prospectus was filed and became effective in Canada for a medium-term note program providing for the issuance from time to time, in Canada, of up to approximately $3.4 billion of notes by Cancredco. All notes issued under this shelf registration will be guaranteed by Credco. During the nine months ended September 30, 2008, Cancredco issued approximately $483 million of medium-term notes. The financial results of Cancredco are included in the consolidated financial results of Credco.

In consideration of all the funding sources, Credco believes that it would have the liquidity to satisfy all maturing obligations and fund normal business operations for at least a 12-month period in the event that access to the secured and unsecured fixed income capital markets were interrupted.

Credco paid cash dividends of $260 million to TRS during the nine months ended September 30, 2008.

The most restrictive limitation on dividends imposed by the debt instruments issued by Credco is the requirement that Credco maintain a minimum consolidated net worth of $50 million. There are no significant restrictions on the ability of Credco to obtain funds from its subsidiaries by dividend or loan. Additionally, there are no limitations on the amount of debt that can be issued by Credco.

Committed Bank Credit Facilities

Credco maintained committed bank credit facilities at September 30, 2008 as follows:

(Billions)	Total	American Express	Credco
Committed[a]	$ 11.1	$ 1.2	$ 9.9[b]
Outstanding	$ 3.0	$ —	$ 3.0

(a) Included is $3.0 billion outstanding related to the Australian credit facility.

(b) Credco has the right to borrow a maximum amount of $11.1 billion with a commensurate maximum $1.2 billion reduction in the amount available to American Express.

Credco's committed bank credit facilities expire as follows:

(Billions)	
2010	$ 1.9
2011	2.8
2012	6.4
Total	$ 11.1

The availability of the credit lines is subject to Credco's compliance with certain financial covenants that require maintenance of a 1.25 ratio of combined earnings and fixed charges to fixed charges. The ratio of earnings to fixed charges for Credco was 1.52 for the nine months ended September 30, 2008. The ratio of earnings to fixed charges for American Express for the nine months ended September 30, 2008 was 2.20.

Committed bank credit facilities do not contain material adverse change clauses, which may preclude borrowing under the credit facilities. Additionally, the facilities may not be terminated should there be a change in Credco's credit rating.

Forward-Looking Statements

Various statements have been made in this Quarterly Report on Form 10-Q that may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may also be made in Credco's other reports filed with or furnished to the SEC and in other documents. In addition, from time to time, Credco through its management may make oral forward-looking statements. Forward-looking statements are subject to risks and uncertainties, including those identified below, which could cause actual results to differ materially from such statements. The words "believe," "expect," "anticipate," "optimistic," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely" and similar expressions are intended to identify forward-looking statements. Credco cautions you that the risk factors described below are not exclusive. There may also be other risks that Credco is unable to predict at this time that may cause actual results to differ materially from those in forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. Credco undertakes no obligation to update or revise any forward-looking statements.

Factors that could cause actual results to differ materially from Credco's forward-looking statements include, but are not limited to:

- credit trends, which will depend in part on the economic environment, including among things, the housing market and the rates of bankruptcies, which can affect spending on card products and debt payments by individual and corporate customers;

- Credco's ability to accurately estimate the provision for losses in Credco's outstanding portfolio of cardmember receivables and loans;
- fluctuations in foreign currency exchange rates;
- negative changes in Credco's credit ratings, which could result in decreased liquidity and higher borrowing costs;
- changes in laws or government regulations affecting American Express' business, including the potential impact of regulations proposed by federal bank regulators relating to certain credit and charge card practices;
- the effect of fluctuating interest rates, which could affect Credco's borrowing costs;
- the impact on American Express Company's business resulting from continuing geopolitical uncertainty;
- Credco's ability to satisfy its liquidity needs and execute on its funding plans, which will depend on, among other things, Credco's future business growth, its credit ratings, market capacity and demand for securities offered by Credco, performance by Credco's counterparties under its bank credit facilities and other lending facilities and regulatory changes, including changes to the policies, rules and regulations of the Board of Governors of the Federal Reserve System;
- Credco's ability to meet the criteria for participation in certain liquidity facilities and other funding programs, including the Commercial Paper Funding Facility, being made available through the Federal Reserve Bank of New York; and
- Credco's ability to access in a timely manner its remaining investment in the Primary Reserve Fund.

OTHER REPORTING MATTERS

Accounting Developments

See "Recently Issued Accounting Standards" section of Note 1 to the Consolidated Financial Statements.

Item 4. CONTROLS AND PROCEDURES

Credco's management, with the participation of Credco's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of Credco's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, Credco's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, Credco's disclosure controls and procedures are effective. There have not been any changes in Credco's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during Credco's fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, Credco's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

This section supplements and updates certain of the information found under Item 1A. “Risk Factors” of Credco’s Form 10-K for the year ended December 31, 2007 (the “2007 Form 10-K”), and should be read in conjunction with the discussion of risk factors set forth in such section. Based on the information currently known to us, Credco believes that the matters discussed below, together with the risk factors set forth in the 2007 Form 10-K, identify the most significant risk factors affecting Credco. However, the risks and uncertainties that Credco faces are not limited to those described below and those set forth in the 2007 Form 10-K. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect Credco’s business and the trading price of its securities.

Adverse capital and credit market conditions may significantly affect Credco’s ability to meet liquidity needs, access to capital and cost of capital.

The money and capital markets have been experiencing extreme volatility and disruption for more than 12 months, which have negatively impacted market liquidity conditions. In recent weeks, the volatility and disruption have reached unprecedented levels.

The concerns on the part of market participants have focused on a broad range of mortgage-and asset-backed and other fixed income securities, including those rated investment grade, the U.S. and international credit and interbank money markets generally, and a wide range of financial institutions and markets, asset classes and sectors. As a result, the market for fixed income instruments has experienced decreased liquidity, increased price volatility, credit downgrade events and increased probability of default. Securities that are less liquid are more difficult to value and may be hard to dispose of. Domestic and international equity markets have also been experiencing heightened volatility and turmoil, with issuers (such as Credco) that have exposure to or rely on the credit markets particularly affected.

Credco needs liquidity to pay operating expenses, interest on debt and dividends on capital stock and to repay maturing liabilities. Without sufficient liquidity, Credco could be forced to limit its investments in growth opportunities or curtail operations. The principal sources of Credco’s liquidity are cash flow from its investment portfolio and assets, consisting mainly of cash or assets that are readily convertible into cash, and issuances of commercial paper. Sources of liquidity in normal markets also include a variety of short- and long-term instruments, including medium- and long-term unsecured debt.

Notwithstanding Credco’s solid financial position, Credco is not immune from the pressures brought on by the current crisis in the financial markets. The fragility of the credit markets and the current economic environment have impacted financial services companies through market volatility and fluctuations, loss of confidence and rating agency actions. Similar to other financial services firms, Credco’s access to the capital markets has been significantly limited since mid-September 2008 and it has seen a downgrade of its long-term credit ratings by one of the major ratings agencies.

In the event current sources of liquidity, including internal sources, do not satisfy Credco’s needs, it would be required to seek additional financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the overall availability of credit to the financial services industry, Credco’s credit ratings and credit capacity, as well as the possibility that lenders could develop a negative perception of Credco’s long- or short-term financial prospects if it incurs large credit losses or if the level of its business activity decreased due to an economic downturn. Similarly, Credco’s access to funds may be impaired if regulatory authorities or rating agencies take negative actions against us. In addition, certain sources of contingent liquidity, including the Commercial Paper Funding Facility (CPFF), being made available through the Federal Reserve Bank of New York, are subject to Credco’s ability to meet or continue to meet the criteria for participation in such facilities and programs and are temporary in nature as such programs are scheduled to terminate on various dates in the second quarter of 2009.

Disruptions, uncertainty or volatility in the capital and credit markets may also limit Credco's access to capital required to operate its business. Such market conditions may limit its ability to replace, in a timely manner, maturing liabilities, satisfy regulatory capital requirements and access the capital necessary to grow its business. As such, Credco may be forced to delay raising capital, issue shorter-tenured securities than it prefers, or bear an unattractive cost of capital, which could decrease profitability and significantly reduce financial flexibility.

If current levels of market disruption and volatility continue or worsen, there can be no assurance that we will not experience an adverse effect, which may be material, on Credco's ability to access capital and on our business, financial condition and results of operations.

Difficult conditions in the global capital markets and the economy generally may materially adversely affect our business and results of operations, and we do not expect these conditions to improve in the near future.

Credco's results of operations are materially affected by conditions in the global capital markets and the economy generally, both in the United States and elsewhere around the world. The stress experienced by global capital markets that began in the second half of 2007 continued and substantially increased during the third quarter of 2008.

Recently, concerns over the availability and cost of credit, the U.S. mortgage market, a declining real estate market in the United States (in particular, in those markets in which American Express has generated significant spend volume on its charge and credit card products) and geopolitical issues have contributed to increased volatility and diminished expectations for the economy and the markets going forward. These factors, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, have precipitated an economic slowdown and fears of a global recession, which may cause declines in credit and charge card usage and has already resulted in adverse changes in payment patterns, causing increases in delinquencies and default rates. If the performance of its charge card and credit card portfolios continues to weaken through increasing delinquencies and write-offs, American Express' and Credco's long-term and short-term debt ratings could be downgraded and its access to capital could be materially adversely affected and cost of capital could increase.

These events and the continuing market upheavals may have an adverse effect on Credco, in part because it is dependent upon consumer and business behavior. Credco's revenue growth is likely to decline in such circumstances and, in certain instances, revenues may decrease, and its profit margins could erode. In addition, in the event of extreme prolonged market adversity, such as the global credit crisis, Credco could incur significant losses.

Some of the financial, economic and market related risks we described in "Risk Factors" in our 2007 Form 10-K referred to above have come to pass. As these conditions or similar ones continue to exist or worsen, we could experience continuing or increased adverse effects on our results of operations and financial condition.

The impairment of other financial institutions could adversely affect Credco.

Credco's ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial services institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. Credco routinely executes transactions with counterparties in the financial services industry, including commercial banks, investment banks and insurance companies. Defaults or non-performance by, or even rumors or questions about, one or more financial services institutions, or the financial services industry generally, have led to market-wide liquidity problems and could lead to losses or defaults by one or more of Credco's counterparties, which, in turn, could have a material adverse effect on Credco's results of operations and financial condition.

Any reduction in Credco's credit ratings could increase the cost of our funding from and restrict Credco's access to the capital markets and have a material adverse effect on Credco's results of operations and financial condition.

Although Credco's long-term debt is currently rated investment grade (at "A" levels) by the major rating agencies, the ratings of that debt have been downgraded during 2008 by Moody's Investors Services (Moody's), one of the major rating agencies, and continue to remain on negative outlook by such rating agency. In addition, Standard & Poor's (S&P), another major rating agency, has placed Credco's long-term debt on "Creditwatch" with negative implications. The rating agencies regularly evaluate Credco, and their ratings of Credco's long-term and short-term debt are based on a number of factors, including Credco's financial strength as well as factors not entirely within Credco's control, including conditions affecting the financial services industry generally. In light of the difficulties in the financial services industry and the financial markets, there can be no assurance that Credco will maintain its current credit ratings. Failure to maintain those ratings could, among other things, adversely limit Credco's access to the capital markets and adversely affect the cost and other terms upon which Credco is able to obtain funding and increase our cost of capital.

In addition, a downgrade of the short-term ratings of Credco below its current P-1/A-1/F1 ratings by two or more rating agencies would restrict Credco's ability to participate in the CPFF established by the Federal Reserve Bank of New York, which would have a material adverse effect on Credco's liquidity and its ability to fund charge card receivables and credit card loans.

Credco cannot predict what actions rating agencies may take. As with other companies in the financial services industry, Credco's ratings could be downgraded at any time and without any notice by any of the rating agencies.

Item 5. OTHER INFORMATION

The following is provided pursuant to "Item 1.01 - Entry into a Material Definitive Agreement" of Form 8-K: On October 30, 2008, Credco entered into amended and restated agreements for the sale and purchase of receivables with each of Centurion Bank and FSB. Credco, Centurion Bank and FSB are each wholly-owned subsidiaries of TRS, which is a wholly-owned subsidiary of American Express. The agreements were amended to provide for the suspension from time to time of the sale of American Express charge card receivables by each of Centurion Bank or FSB to Credco, or of the purchase by Credco of such receivables, upon written notice from either party to each agreement to the other party. Copies of the restated and amended agreements are being filed with this report.

Item 6. EXHIBITS

The exhibits required to be filed with this report are listed on page E-1 hereof, under "Exhibit Index," which is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERICAN EXPRESS CREDIT CORPORATION
(Registrant)

DATE: November 4, 2008	By	/s/ Christopher S. Forno
		Christopher S. Forno President and Chief Executive Officer
DATE: November 4, 2008	By	/s/ Lawrence A. Belmonte
		Lawrence A. Belmonte Vice President and Chief Accounting Officer

AMERICAN EXPRESS CREDIT CORPORATION

EXHIBIT INDEX

Pursuant to Item 601 of Regulation S-K

	Description	How Filed
Exhibit 4.1	Form of Medium-Term Note—Master Note relating to American Express Credit Corporation's InterNotes® program.	Incorporated by reference to Exhibit 4 to Registrant's Current Report on Form 8-K (Commission File No. 1-6908) dated August 25, 2008.
Exhibit 10.1	Amended and Restated Agreement for Sale and Purchase of Receivables dated as of October 30, 2008, between American Express Centurion Bank and American Express Credit Corporation.	Electronically filed herewith.
Exhibit 10.2	Amended and Restated Agreement for Sale and Purchase of Receivables dated as of October 30, 2008, between American Express Bank, FSB and American Express Credit Corporation.	Electronically filed herewith.
Exhibit 12.1	Computation in Support of Ratio of Earnings to Fixed Charges of American Express Credit Corporation.	Electronically filed herewith.
Exhibit 12.2	Computation in Support of Ratio of Earnings to Fixed Charges of American Express Company.	Electronically filed herewith.
Exhibit 31.1	Certification of Christopher S. Forno, Chief Executive Officer, pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.	Electronically filed herewith.
Exhibit 31.2	Certification of David L. Yowan, Chief Financial Officer, pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.	Electronically filed herewith.
Exhibit 32.1	Certification of Christopher S. Forno, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Electronically filed herewith.
Exhibit 32.2	Certification of David L. Yowan, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Electronically filed herewith.

AMENDED AND RESTATED AGREEMENT FOR SALE AND PURCHASE OF RECEIVABLES DATED AS OF OCTOBER 30, 2008

The Seller and the Purchaser entered into that certain Amended and Restated Agreement for Sale and Purchase of Receivables, dated as of October 26, 2007, as amended by Amendment No. 1 thereto dated as of October 16, 2008 The Seller and the Purchaser desire to further amend and restate that Agreement. Accordingly, that Agreement is hereby amended and restated in its entirety to read as follows:

THIS AMENDED AND RESTATED AGREEMENT (the "Agreement") is made as of October 30, 2008, between AMERICAN EXPRESS CENTURION BANK, an industrial bank duly organized and validly existing under the laws of the State of Utah and having a principal place of business at 4315 South 2700 West, Salt Lake City, Utah 84184 (the "Seller") and AMERICAN EXPRESS CREDIT CORPORATION, a corporation duly organized and validly existing under the laws of the State of Delaware and having a place of business at One Christina Centre, 301 North Walnut Street, Suite 1002, Wilmington, Delaware 19801-2919 (the "Buyer").

WHEREAS,

A. The Seller owns charge card accounts pursuant to which the Seller issues American Express Card products to consumers;

B. The Seller sells to the Buyer receivables arising under certain of these charge card accounts and the Buyer purchases such receivables from the Seller (such receivables as have been sold prior to the date hereof are hereinafter referred to as the "Initial Purchases"); and

C. The Seller wishes to continue to sell receivables arising under charge card accounts to the Buyer and the Buyer wishes to continue to purchase such receivables from the Seller in accordance with this Agreement (such receivables as are sold on or after the date hereof are hereinafter referred to as the "Future Purchases").

NOW, THEREFORE, the parties hereby agree as follows:

Section 1. **Certain Definitions**

The following terms when capitalized in this Agreement and used either in the singular or the plural have the following meanings:

"ACSC" means Amex Card Services Company, a Delaware corporation, and its successors and assigns.

"Assignment" has the meaning described in Section 4(a) hereof.

“Business Day” means a day on which both the Seller’s and the Buyer’s principal offices are open for business.

“Card” means a charge card issued by the Seller with respect to a consumer account owned by the Seller.

“Cardmember” means the person or firm obligated to make payments to the Seller with respect to charges incurred by the use of a Card.

“First Day of a Monthly Period” has the meaning set forth in the definition of Monthly Period.

“Fraud” means the misuse or fraudulent use of a Card or its related details by an unauthorized person or entity.

“Future Purchases” has the meaning defined in the recitals of this Agreement.

“Governmental Authority” means the United States of America, any state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Initial Purchases” has the meaning defined in the recitals of this Agreement.

“Initial Resumption Settlement Statement” shall mean the statement substantially in the form set forth in Exhibit D.

“Insolvency Event” means the occurrence of the following with respect to a party: (a) such party shall file a petition or commence a Proceeding, (i) to take advantage of any bankruptcy, conservatorship, receivership, insolvency, or similar laws, or (ii) for the appointment of a trustee, conservator, receiver, liquidator or similar official for or relating to such party or all or substantially all of its property, (b) such party shall consent or fail to object to any such petition filed or Proceeding commenced against or with respect to it or all or substantially all of its property, or any such petition or Proceeding shall not have been dismissed within sixty (60) days of its filing or commencement, or a court, agency, or other supervisory authority with jurisdiction shall have decreed or ordered relief with respect to any such petition or Proceeding, (c) such party shall be unable, or shall admit in writing its inability, to pay its debts generally as they become due, (d) such party shall make an assignment for the benefit of its creditors or (e) such party shall voluntarily suspend payment of substantially all of its obligations.

“Last Day of a Monthly Period” has the meaning set forth in the definition of Monthly Period.

“Monthly Period” means the period (a) from and including the second day following the last day of the seventh billing cycle applicable to the charge card accounts ending during a calendar month (such day being the “First Day of a Monthly Period”) and (b) to and including the day following the last day of the seventh billing cycle applicable to the charge card accounts ending in the next calendar month (such day being the “Last Day of a Monthly Period”). Each

Monthly Period shall include the Monthly Stub Period for the calendar month in which the First Day of such Monthly Period occurs.

"Monthly Stub Period" means the period in a calendar month from and including the day following the Last Day of a Monthly Period that occurs during such calendar month to and including the last calendar day of such calendar month.

"Monthly Stub Period Receivables" has the meaning described in Section 2 hereof.

"New Receivable" has the meaning described in Section 2 hereof.

"Payment Amount" has the meaning described in Section 4(b) hereof.

"Proceeding" means any suit in equity, action at law or other judicial or administrative proceeding.

"Purchase Date" means each date that Receivables are purchased by the Buyer and sold by the Seller under this Agreement. Currently, the Purchase Date with respect to a Monthly Period and Monthly Stub Period is such date mutually agreed upon by the Buyer and the Seller that falls between the last day of such Monthly Period and the last business day of the calendar month in which such last day of the Monthly Period has occurred.

"Receivables" means all amounts payable by a Cardmember (or any other obligor including any guarantor) on any Card account; provided, that such term shall not include any Securitized Receivables.

"Recoveries" means all amounts received with respect to Receivables which have previously been charged off.

"Relationship Adjustments" means adjustments downward to Receivables balances made in good faith by the Servicer pursuant to its customary servicing standards and guidelines for customer service and Cardmember account relations and to give effect to rebates offered by the Seller to Cardmembers as marketing incentives and product features. In no event shall Relationship Adjustments include adjustments attributable to Uncollectible Receivables and adjustments made as part of the Servicer's credit and collection processes. For the avoidance of doubt, Relationship Adjustments shall not have the purpose or effect of protecting Credco from credit risk in Sold Receivables.

Requirements of Law" means any law, treaty, rule or regulation, or determination of an arbitrator or Governmental Authority, whether Federal, state or local (including without limitation usury laws, the Federal Truth in Lending Act and Regulation B and Regulation Z of the Board of Governors of the Federal Reserve System), and, when used with respect to any entity, the certificate of incorporation and by-laws or other organizational or governing documents of such entity.

"Securitized Receivables" means (a) from and after May 19, 2005, those receivables that the Buyer previously purchased from the Seller prior to the date hereof and that were sold by the Buyer to TRS pursuant to that certain Sale Agreement No. 1, dated as of May 19, 2005, between the Buyer and TRS and pursuant to that certain Sale Agreement No. 2, dated as of August 3, 2004, between the Buyer and TRS, and (b) those receivables that arise in accounts that are Accounts under that certain Transfer and Servicing Agreement (the "Transfer Agreement") among American Express Receivables Financing Corporation V LLC, TRS, American Express Issuance Trust and The Bank of New York, dated as of May 19, 2005, as it shall be supplemented, modified and amended from time to time, from and after the date that such accounts become Accounts under the Transfer Agreement.

"Service Establishment" means any person or firm (including affiliates of the Seller) that accepts charges incurred by the use of the Card in lieu of cash or other payment upon a purchase of goods or services.

"Servicer" means such entity, if any, as has been retained to service the Receivables. At the date hereof, ACSC is the Servicer.

"Servicing Agreement" has the meaning described in Section 3(a) hereof.

"Settlement Statement" shall mean the statement substantially in the form set forth on Exhibit A, as applicable.

"Sold Receivables" means those Receivables that have been sold to the Buyer under this Agreement.

"Suspension Settlement Statement" shall mean the statement substantially in the form set forth in Exhibit C.

"Termination Settlement Statement" shall mean the statement substantially in the form set forth on Exhibit B.

"TRS" means American Express Travel Related Services Company, Inc., a New York corporation, and its successors and assigns.

"UCC" means the Uniform Commercial Code.

"Uncollectible Receivables" means those Receivables that the Seller or Servicer, after having made reasonable efforts to collect, determines in good faith, based upon its experience in credit card operations, should be written off as uncollectible at or prior to the time in question.

"Weekly Period" means with respect to settlement of Sold Receivables after the termination of the purchase and sale of Receivables under Section 8(a) hereof or the suspension of the purchase and sale of Receivables under Section 8(b) hereof, the period from the date on which such notice of termination or suspension of purchases of Receivables shall be effective to and including the period seven calendar days thereafter and each such successive seven calendar day period.

Section 2. **Sale and Purchase of Receivables**

(a) On each Purchase Date, the Seller shall sell to the Buyer without recourse, and the Buyer shall purchase from the Seller, all right, title and interest of the Seller in, to and under all Receivables that (i) were created during the immediately preceding Monthly Period and were not previously sold to the Buyer on the preceding Purchase Date and (ii) all Receivables created and to be created during the Monthly Stub Period (the "Monthly Stub Period Receivables") for the calendar month in which such Purchase Date occurs (such Receivables being sold hereinafter called "New Receivables").

(b) The Buyer shall not be under any obligation on a Purchase Date to purchase any New Receivables which are Uncollectible Receivables at the end of the related Monthly Period. The price to be paid by the Buyer for New Receivables shall be an amount equal to 100% of the aggregate balance of the New Receivables being sold discounted to reflect such factors, if any, as Seller and Buyer mutually agree will result in a purchase price determined to be the fair market value of such New Receivables. The sale of Receivables shall include the sale of all monies due or to become due and all amounts received or receivable with respect to such Receivables, including all Recoveries allocable to such Receivables, and the proceeds (including "proceeds" as defined in the UCC) thereof. The Buyer shall have the right to pledge, assign, transfer, sell and exercise full control over all Receivables that it shall have purchased pursuant to this Agreement.

(c) The purchase price for all Receivables sold hereunder on a Purchase Date shall be paid on such Purchase Date. For all purposes hereunder, the purchase price for all Receivables during a period shall be offset by the amount of collections with respect to Sold Receivables and New Receivables during such period. On the Purchase Date, to the extent it is not ascertainable, the parties shall estimate in a reasonable manner agreed to by the parties the amount of Monthly Stub Period Receivables being sold on such Purchase Date, as well as an estimate of the amount of collections and recoveries with respect to Sold Receivables and New Receivables during the Monthly Stub Period, to arrive at an estimated payment amount with respect to the Monthly Stub Period Receivables being sold on such Purchase Date.

(d) The parties intend that each transfer of Receivables by the Seller to the Buyer pursuant to this Agreement be an absolute sale and not a secured borrowing, for all purposes, including accounting.

Section 3. **Billing and Collection of Receivables**

(a) The Seller has retained the Servicer to perform the accounting, clerical and other services necessary to manage, bill and collect payments for all Receivables pursuant to the most recently approved Service Agreement between the Servicer and the Seller relating to charge card receivables (the "Servicing Agreement"). The Buyer agrees that it shall be responsible for payment of all fees charged by the Servicer under the Servicing Agreement and related to the servicing of the Sold Receivables. The Buyer shall pay such fees directly to the Servicer. By its signature below, the Servicer agrees that the Seller shall not be responsible for payment of such fees, releases the Seller from any liability for such fees and agrees that Servicer shall have recourse only to the Buyer for payment of all such fees. The Buyer covenants to Servicer that it shall promptly pay all such fees. The Buyer authorizes the Servicer to bill and collect Sold Receivables in the Seller's or TRS' name, as applicable, but for the Buyer's account and benefit. The Seller agrees it shall direct the Servicer to follow substantially the same billing and collection policies being followed at the time of execution of this Agreement (including without limitation the collection from Service Establishments of any portion of Card accounts and Receivables for which such Service Establishments are liable, either because they have permitted charges in excess of authorized limits or otherwise) and shall not institute any significant changes in such billing and collection policies without the prior consent of the Buyer. The Buyer agrees that the Seller may have use of the collections on Sold Receivables between Purchase Dates, provided that the Seller may in its discretion require that collections be remitted directly to it by giving notice to the Servicer. The Seller acknowledges that it holds any such collections that it may receive in trust for the Buyer. The Buyer and the Seller may mutually agree that the Seller will remit the collections it receives on Sold Receivables to the Buyer more frequently than on the Purchase Date with respect to each Monthly Period, provided that if the parties so agree, then the Settlement Statement for the next succeeding Purchase Date shall reflect the fact that the Seller has remitted collections on Sold Receivables prior to the date of such Settlement Statement and such payments shall be included in determining the net amount due to the Seller or from the Buyer for New Receivables being sold on such Purchase Date and provided further, that if the parties so agree to more frequent remittances of collections on Sold Receivables by the Seller to the Buyer, the amounts of such remittances paid by the Seller to the Buyer during the period before the next succeeding Purchase Date may be discounted to reflect such factors, if any, as the Seller reasonably determines will reflect the changes in funding costs and other expenses of the Seller resulting from the more frequent remittance of collections which changes were not reflected in the determination of the sale price of such Receivables.

(b) On each Purchase Date, the Seller shall advise the Buyer of the amount of Sold Receivables which have become Uncollectible Receivables during the related Monthly Period. The Seller shall not be obliged to direct the Servicer to make any effort to collect Uncollectible Receivables other than in accordance with its customary policies and procedures unless requested by the Buyer to do so, in which case the Buyer shall solely be responsible for all costs and expenses of the Servicer in making additional efforts to collect Uncollectible Receivables.

(c) All amounts collected by Seller on Sold Receivables and New Receivables pursuant to the foregoing provisions of this Section 3 are hereinafter called "Collections on Sold Receivables". The aggregate amount of Collections on Sold Receivables during a Monthly Period shall be settled on the related Purchase Date in accordance with Section 4(b) of this Agreement except that after any termination pursuant to Section 8 all Collections on Sold Receivables shall be settled in accordance with Section 8.

Section 4. **Procedure for Purchase and Payment**

(a) In connection with each sale and purchase of Receivables on each Purchase Date, the Seller shall deliver to the Buyer a duly executed assignment, substantially in the form set forth in Exhibit A (each, an "Assignment") to the Buyer of all of the Seller's right, title and interest in and to the Receivables then being sold to the Buyer.

(b) On each Purchase Date, the Seller shall also submit to the Buyer a statement in writing substantially in the form of and containing the information specified in Exhibit A hereto.

(c) The amount payable by Seller to Buyer or by Buyer to Seller, as calculated on any given payment date (the “Payment Amount”), shall be calculated as set forth in Exhibit A. The Seller agrees to pay the Buyer the Payment Amount if the Payment Amount is a negative number, and the Buyer agrees to pay the Seller if the Payment Amount is a positive number. If the Payment Amount equals zero, then no payment will be due from or to one party by the other party. The Buyer shall pay to the Seller or the Seller shall pay to the Buyer, as the case may be, such net amount due on the Purchase Date, which payment shall be in the form of cash.

(d) As a remedy for any breaches of its representation and warranty contained in Section 9(b)(viii), on each Purchase Date the Seller shall credit to the Buyer an amount equal to the portion of Sold Receivables as to which, during the related Monthly Period, the Servicer has adjusted downward the amount payable because of Fraud or has made a Relationship Adjustment, in each case after application of an applicable discount rate. This shall be effectuated by reducing the aggregate face amount of New Receivables being sold on each Purchase Date by the aggregate face amount of adjustments downward as a result of Fraud and Relationship Adjustments during the related Monthly Period.

Section 5. **Pledge of New Receivables and Filing of Financing Statements**.

(a) The parties hereto agree that the purchase by Buyer of New Receivables shall constitute an absolute sale and assignment of Receivables to Buyer and not a loan to Seller. In the event that Article 9 of the UCC applies or may apply to the transactions contemplated hereby, and in addition to otherwise secure payment of and performance by Seller of any and all of its indebtedness, liabilities and obligations to Buyer, now existing or hereafter arising whatsoever, in each case solely pursuant to this Agreement, including, without limitation, all obligations of Seller under this Agreement to perform acts or refrain from taking any action, Seller hereby grants to Buyer, a first priority continuing security interest in and to all of Seller's right, title and interest in, to and under the Sold Receivables, and all proceeds thereof. Buyer shall have all of the rights and remedies of a secured party under the UCC as in effect in the State of Utah. This Agreement shall constitute a security agreement under applicable law.

(b) In addition, to secure payment of and performance by Buyer of any and all of its indebtedness, liabilities and obligations to Seller, now existing or hereafter arising whatsoever, in each case solely pursuant to this Agreement, including, without limitation, all obligations of Buyer under this Agreement with respect to payments for purchased New Receivables, Buyer hereby grants to Seller, a first priority continuing security interest in and to all of Buyer’s right, title and interest in, to and under all payment received in respect of Sold Receivables, and all proceeds thereof. Seller shall have all of the rights and remedies of a secured party under the UCC as in effect in the State of Utah. This Agreement shall constitute a security agreement under applicable law.

(c) In connection with the above grants of security interest, each party in its capacity as debtor agrees, if requested by the other party, to file, at its own expense, one or more financing statements (and amendments with respect to such financing statements when applicable) meeting the requirements of applicable state law in such manner and in such jurisdictions as are necessary to perfect the above grants of security interest and to deliver a file-stamped copy of such financing statements or amendments or other evidence of such filing to the other party.

Section 6. **Maintenance of Quality of Receivables**

The Seller shall not materially reduce the credit standards used in determining whether a Card is to be issued to an applicant therefor or materially liberalize its policy as to the cancellation of a Card for credit reasons without providing prior written notice of such action to the Buyer.

Section 7. **The Seller Required to Furnish Certain Information**

The Buyer shall have the right from time to time at reasonable intervals to require the Seller to supply such information as the Buyer may reasonably request respecting the Seller's credit standards, accounting, data processing, collection practices and experience in Receivables collection and turnover. Any such information shall be deemed to have been requested reasonably only if it is necessary or appropriate for a determination of the adequacy of the Buyer's reserve for Receivables losses, the rate of collection of Receivables, the risk of uncollectibility thereof, or whether amounts collected on Sold Receivables are being properly accounted for by Seller, or to ascertain the appropriateness of the Settlement Statements or Termination Settlement Statements. The Seller shall also furnish such information as the Buyer may reasonably request respecting the creditworthiness and credit ratings of the Seller.

Section 8. **Termination**

(a) This Agreement shall remain in effect until (i) sales and purchases hereunder are terminated by either party hereto by the giving of written notice to the other party specifying the effective date of such termination, which unless otherwise agreed in writing shall be effective following the settlement of a Purchase Date, or (ii) an Insolvency Event shall have occurred with respect to either party, in which event this Agreement shall terminate automatically upon the occurrence of such Insolvency Event. No such termination shall affect the rights of the parties hereto with respect to Sold Receivables. In the event of any such termination of this Agreement the parties shall settle activity with respect to Sold Receivables on a weekly or monthly basis, as they may mutually agree, provided that if they cannot agree then settlements will be on a monthly basis, in accordance with the methodology set forth in the Termination Settlement Statement set forth in Exhibit B until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero, provided, that if the parties have agreed to weekly settlements, then the amounts of such remittances paid by the Seller to the Buyer may be discounted to reflect such factors, if any, as the Seller reasonably determines will reflect the changes in funding costs and other expenses of the Seller resulting from the weekly remittances of collections which changes were not reflected in the determination of the sale price of such Receivables

(b) Sales and purchases under this Agreement may be suspended from time to time by either party hereto by the giving of written notice to the other party specifying the effective date of such suspension, which unless otherwise agreed in writing shall be effective following the settlement of a Purchase Date. In the event of such a suspension, this Agreement shall otherwise remain in effect and purchases and sales may be resumed if the parties hereto mutually agree. No such suspension shall affect the rights of the parties hereto with respect to Sold Receivables. In the event of any such suspension of purchases and sales hereunder the parties shall settle activity with respect to Sold Receivables on a weekly or monthly basis, as they may mutually agree, provided that if they cannot agree then settlements will be on a monthly basis, in accordance with the methodology set forth in the Suspension Settlement Statement set forth in Exhibit C until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero, provided, that if the parties have agreed to weekly settlements, then the amounts of such remittances paid by the Seller to the Buyer may be discounted to reflect such factors, if any, as the Seller reasonably determines will reflect the changes in funding costs and other expenses of the Seller resulting from the weekly remittances of collections which changes were not reflected in the determination of the sale price of such Receivables.
Upon any resumption of purchases and sales hereunder, the parties shall follow the procedure for purchase and payment as provided in section 4 of this Agreement;provided that in settling the first Purchase Date after the resumption of purchases and sales, the parties shall make such settlement in accordance with the methodology set forth in the Resumption Initial Settlement Statement set forth in Exhibit D.

Section 9. **Representations and Warranties and Agreements**

(a) Representations and warranties and agreements by the Buyer with respect to Initial Purchases and Future Purchases, which shall survive the purchase of Receivables by the Buyer:

(i) The Buyer represents and warrants that it is duly organized and validly existing under the laws of the State of Delaware and that it: (i) has procured all licenses, permits and consents required by law to entitle the Buyer to enter into and perform this Agreement; and (ii) will take all action necessary to keep such licenses, permits and consents in full force and effect during the term of this Agreement.

(ii) The Buyer represents and warrants that the execution and delivery by Buyer of this Agreement and any other document or instrument delivered by Buyer pursuant thereto to which Buyer is a party and the consummation by Buyer of the transactions provided for in this Agreement have been duly authorized by Buyer by all necessary action on the part of Buyer.

(iii) The Buyer represents and warrants that the execution and delivery by Buyer of this Agreement, the performance by Buyer of the transactions contemplated by this Agreement and the fulfillment by Buyer of the terms of this

Agreement applicable to Buyer, will not conflict with or violate any requirements of law applicable to Buyer or conflict with, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which Buyer is a party or by which it or its properties are bound.

(iv) The Buyer represents and warrants that there are no judicial or administrative proceedings pending or to its best knowledge threatened against it before any Governmental Authority (a) asserting the invalidity of this Agreement, (ii) seeking any determination or ruling that, in its reasonable judgment, would materially and adversely affect the performance by Buyer of its obligations under this Agreement, (iii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, or (iv) seeking any determination or ruling that, in the reasonable judgment of Buyer, would materially and adversely affect the validity or enforceability of this Agreement.

(v) The Buyer represents and warrants that this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable debtor relief laws or general principles of equity.

(b) Representations and warranties and agreements by the Seller with respect to Initial Purchases and Future Purchases, which shall survive the sale of Receivables to Buyer:

(i) The Seller represents and warrants that, as of each Purchase Date, the relevant Assignment provided for in Section 4 above will vest in the Buyer the entire right, title and interest in, to and under the Receivables sold and assigned thereby and in the money due or to become due in respect of such Receivables and in the proceeds of collection thereof, free from liens, encumbrances, claims of third parties, offsets, counterclaims or defenses, except offsets, counterclaims or defenses which, as of the Purchase Date on which the Receivables in question are sold and assigned, have not been asserted or, if asserted, have not been established, either to the Seller’s satisfaction or by final judgment or order of a court having jurisdiction, to be valid.

(ii) The Seller represents and warrants that the execution and delivery by Seller of this Agreement and any other document or instrument delivered by Seller pursuant thereto to which Seller is a party and the consummation by Seller of the transactions provided for in this Agreement have been duly authorized by Seller by all necessary action on the part of Seller.

(iii) The Seller represents and warrants that the execution and delivery by Seller of this Agreement and each Assignment, the performance by Seller of the transactions contemplated by this Agreement and each Assignment and the fulfillment by Seller of the terms of this Agreement applicable to Seller, will not conflict with or violate any requirements of law applicable to Seller or conflict with, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which Seller is a party or by which it or its properties are bound.

(iv) The Seller represents and warrants that all authorizations, consents, orders or approvals of or registrations or declarations with any Governmental Authority required to be obtained, effected or given by Seller in connection with the execution and delivery by Seller of this Agreement and the performance by seller of the transactions contemplated by this Agreement and the sale of Receivables pursuant to this Agreement and each Assignment have been duly obtained, effected or given and are in full force and effect.

(v) The Seller represents and warrants that there are no judicial or administrative proceedings pending or to its best knowledge threatened against it before any Governmental Authority (a) asserting the invalidity of this Agreement, (b) seeking any determination or ruling that, in its reasonable judgment, would materially and adversely affect the performance by Seller of its obligations under this Agreement, (c) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, or (d) seeking any determination or ruling that, in the reasonable judgment of Seller, would materially and adversely affect the validity or enforceability of this Agreement.

(vi) The Seller represents and warrants that this Agreement and each Assignment constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable debtor relief laws or general principles of equity.

(vii) The Seller represents and warrants that all Sold Receivables (a) were created in compliance in all material respects with all Requirements of Law applicable to the Seller, (b) constitute Receivables as to which all material consents, licenses, approvals or authorizations of, or registrations or declarations with, any Governmental Authority required to be obtained, effected or given in connection with the creation of such receivables have been duly obtained, effected or given and are in full force and effect, (c) at the time of their sale to the Buyer, constitute Receivables as to which the Seller had good and marketable title thereto, (d) at the time of their sale to the Buyer, constitute Receivables that have not been waived or modified except in accordance with the normal and customary credit practices of the Seller and which waiver or modification are reflected in the Seller's or Servicers' computer file of accounts, and (e) at the time of their sale to the Buyer constituted either an "account" or a "general intangible" under and as defined in Article 9 of the UCC as then in effect in any state where the filing of a financing statement is then required to perfect the Buyer's interest in the Sold Receivables and the proceeds thereof.

(viii) The Seller represents and warrants that all Sold Receivables constitute legal, valid and binding payment obligations of the Cardmember thereon enforceable against such Cardmember in accordance with its terms except as such enforceability may be limited by applicable debtor relief laws or general principles of equity.

(ix) The Seller agrees to maintain or cause to be maintained accurate and complete records with respect to all Sold Receivables (including such as will enable the Buyer to fully identify all Sold Receivables), to retain such records for at least such periods of time as they are retained under the Seller's present practice and to deliver to the Buyer, on demand, copies of any records required by the Buyer in connection with the Buyer's enforcement of its rights under this Agreement.

Section 10. **Miscellaneous**

(a) There are no restrictions, promises, warranties, covenants, undertakings or representations other than those expressly set forth in this Agreement, and nothing in this Agreement or otherwise shall be construed as making the Seller responsible in any way or to any extent for the payment of any principal, interest or premium on the Buyers' obligations or for the fulfillment of any other obligation or commitment of the Buyer.

(b) No amendment or modification of this Agreement shall be effective unless in writing and signed by the party against whom enforcement of such amendment or modification is sought. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(c) Any notice required or permitted by this Agreement shall be deemed to have been duly and properly given if delivered by hand, first class mail, telex or facsimile to the other party, at the following address:-

If to the Seller, to:

AMERICAN EXPRESS CENTURION BANK
4315 South 2700 West
Salt Lake City, Utah 84184

Attention: Catherine M. Hogan, Chief Financial Officer
Telephone: (801) 945-3363
Facsimile: (801) 945-4044

With a copy to:

Tim Heine, Esq.
Managing Counsel
American Express Company
200 Vesey Street- 49th Floor
New York, New York 10285

Telephone: (212) 640-5775
Facsimile: (212) 640-0364

If to the Buyer, to:

AMERICAN EXPRESS CREDIT CORPORATION
One Christina Centre
301 North Walnut Street, Suite 1002
Wilmington, Delaware 19801-2919

Attention: Christopher S. Forno, CEO
Telephone: (302) 576-4896
Facsimile: (302) 571-8073

With a copy:

David Carroll, Esq.
Group Counsel
American Express Company
200 Vesey Street – 49th Floor
New York, New York 10285

Telephone: (212) 640-5783
Facsimile: (212) 640-0365

or such other address as either party hereto may furnish to the other in writing at any time.

(d) This Agreement shall be governed by and construed in accordance with the laws of New York applicable to contracts made and to be performed in New York.

(e) The parties agree to do and perform, form time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the other party more fully to effect the purposes of this Agreement.

(f) This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

(e) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

AMERICAN EXPRESS CENTURION BANK

By: /s/ Catherine M. Hogan
Name: Catherine M. Hogan
Title: Chief Financial Officer

AMERICAN EXPRESS CREDIT CORPORATION

By: /s/ Christopher S. Forno
Name: Christopher S. Forno
Title: Chief Executive Officer

By its signature below, Amex Card Services Company agrees to the matters set forth in Section 3(a) relating to it, as Servicer.

AMEX CARD SERVICES COMPANY

By: /s/ James P. Bush
Name: James P. Bush
Title: President

EXHIBIT A

TO BE DELIVERED ON EACH PURCHASE DATE

ASSIGNMENT OF RECEIVABLES

(a) AMERICAN EXPRESS CENTURION BANK (the "Seller") hereby sells, assigns, transfers, sets over and otherwise conveys to AMERICAN EXPRESS CREDIT CORPORATION (the "Buyer"), without recourse, pursuant to and on the terms and conditions set forth in the Amended and Restated Agreement of Sale and Purchase, dated as of October 30, 2008 (the "Agreement") (terms capitalized herein being used as defined in the Agreement), all right, title and interest of the Seller in, to and under:

(i) all Receivables that (a) were created during the immediately preceding Monthly Period and were not previously sold to the Buyer on the preceding Purchase Date and (b) were and will be created during the Monthly Stub Period (the "Monthly Stub Period Receivables") for the month in which this Purchase Date occurs (all such Receivables being sold hereinafter called "New Receivables");

(ii) all Recoveries allocable to such New Receivables;

(iii) all monies due or to become due and all amounts received or receivable with respect to such New Receivables; and

(iv) the proceeds (including "proceeds" as defined in the UCC) thereof.

We have set forth on the attached Settlement Statement the activity for the Monthly Period and calculation of the Payment Amount for the Receivables purchased on the date hereof, including the estimated purchase price for the Monthly Stub Period Receivables.

Please acknowledge your acceptance and approval hereof by executing the Settlement Statement attached hereto.

AMERICAN EXPRESS CENTURION BANK

By: ______________________________
Name:
Title:

Purchase Date: [_____] [__], [_____]

Monthly Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]
Monthly Stub Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]

SETTLEMENT STATEMENT FOR EACH PURCHASE DATE

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at beginning of Monthly Period	$ ______
2	Aggregate Face Amount of New Receivables created during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the Monthly Period	$ ______
3	Subtotal	$ ______
	Deduct:	
4	Payments by Cardmembers during the Monthly Period	$ ______
5	Write-offs of Uncollectible Receivables during the Monthly Period	$ ______
6	Balance owned by Credco at end of Monthly Period	$ ______

DETERMINATION OF PAYMENT AMOUNT

Item		
7	________ per cent of Item 2 (purchase price of New Receivables during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments)	$ ____________
	Deduct:	
8	Recoveries	$ ____________
9	Item 4 (Payments by Cardmembers)	$ ____________
10	Payment due to (from) American Express Centurion Bank	$ ____________
11	Estimated payment (made to) from American Express Centurion Bank on the prior Purchase Date with respect to Monthly Stub Period Receivables sold on the prior Purchase Date	$ ____________
12	Estimated payment due to (from) American Express Centurion Bank with respect to Monthly Stub Period Receivables being sold on this Purchase Date*	$ ____________
13	Net payment due to (from) American Express Centurion Bank	$ ____________

* Estimated payment with respect to Monthly Stub Period Receivables shall be determined in a reasonable manner as agreed from time to time by Buyer and Seller.

Accepted and Approved on ________________, 200__:

AMERICAN EXPRESS CREDIT CORPORATION

By: ______________________________
Name:
Title:

EXHIBIT B

TERMINATION SETTLEMENT STATEMENTS

1. After termination of the sale and purchase of Receivables under this Agreement, the parties shall settle activity that occurs in each [Weekly][Monthly] Period after termination of the Agreement. The settlement shall occur at least [weekly][monthly], such settlement to occur no later than the last business day of each [Weekly][Monthly] Period with respect to activity that occurred in the [Weekly][Monthly] Period the last day of which occurred in such [week][month]. The settlements shall continue in accordance with the methodology set forth in this Exhibit B until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero.

2. The methodology for the first settlement after termination shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at end of prior period settlement (Item of previous report, dated)	$ ____________
	Deduct:	
2	Accelerated estimated write-offs of the balance above owned by Credco (determined by applying the reserve rate used by Credco to reserve for losses prior to termination multiplied by the balance of Receivables set forth above owned by Credco at end of prior period settlement)	$ ____________
3	Downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period	$ ____________
4	Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(a) of the Agreement in case of weekly settlements] (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ____________
5	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 3 and 4 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ____________

DETERMINATION OF PAYMENT AMOUNT

Item		
6	Recoveries during the [Weekly][Monthly] Period (allocated to Credco)	$ ______________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ______________
8	Item 4 (Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(a) of the Agreement in case of weekly settlements])	$ ______________
9	Payment due from American Express Centurion Bank	$ ______________

3. Thereafter, the methodology for each subsequent settlement shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at beginning of [Weekly][Monthly] Period (Item of previous report, dated)	$ ______________
	Deduct:	
2	Payments on Receivables during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(a) of the Agreement in case of weekly settlements] (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______________
3	Downward adjustments to Cardmembers' Accounts as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______________
4	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 2 and 3 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ______________

DETERMINATION OF PAYMENT AMOUNT

Item		
5	Portion of Recoveries (a percentage of Recoveries determined by dividing the total balance of charge card Receivables owned by Credco and American Express Centurion Bank (or any assignee thereof) by Item 1 above).	$ ______________
6	Item 2	$ ______________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ______________
8	Payment due from American Express Centurion Bank	$ ______________

EXHIBIT C

SUSPENSION SETTLEMENT STATEMENTS

1. After suspension of the sale and purchase of Receivables under this Agreement, the parties shall settle activity that occurs in each [Weekly][Monthly] Period after suspension of the Agreement. The settlement shall occur at least [weekly][monthly], such settlement to occur no later than the last business day of each [Weekly][Monthly] Period with respect to activity that occurred in the [Weekly][Monthly] Period the last day of which occurred in such [week][month]. The settlements shall continue in accordance with the methodology set forth in this Exhibit C until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero.

2. The methodology for the first settlement after suspension shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at the end of prior period settlement (Item of previous report, dated)	$ ______
	Deduct:	
2	Accelerated estimated write-offs of the balance above owned by Credco (determined by applying the reserve rate used by Credco to reserve for losses prior to suspension multiplied by the balance of Receivables set forth above owned by Credco at the end of the prior period settlement	$ ______
3	Downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period	$ ______
4	Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in section 8(b) of the Agreement in case of monthly settlements] (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______
5	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 3 and 4 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ______

DETERMINATION OF PAYMENT AMOUNT

Item		
6	Recoveries during the [Weekly][Monthly] Period (allocated to Credco)	$ ______________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ______________
8	Item 4 (Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(b) of the Agreement in case of monthly settlements)	$ ______________
9	Payment due from American Express Centurion Bank	$ ______________

3. Thereafter, the methodology for each subsequent settlement shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at beginning of [Weekly][Monthly] Period (Item of previous report, dated)	$ ______________
	Deduct:	
2	Payments on Receivables during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(b) of the Agreement in case of monthly settlements] (but not greater than the amount required to bring Credco's balance owned at end of Weekly Period to zero)	$ ______________
3	Downward adjustments to Cardmembers' Accounts as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______________
4	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 2 and 3 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ______________

DETERMINATION OF PAYMENT AMOUNT

Item		
5	Portion of Recoveries (a percentage of Recoveries determined by dividing the total balance of charge card Receivables owned by Credco and American Express Centurion Bank (or any assignee thereof) by Item 1 above).	$ ____________
6	Item 2	$ ____________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ____________
8	Payment due from American Express Centurion Bank	$ ____________

EXHIBIT D

TO BE DELIVERED ON INITIAL RESUMPTION PURCHASE DATE

ASSIGNMENT OF RECEIVABLES

(b) AMERICAN EXPRESS CENTURION BANK (the "Seller") hereby sells, assigns, transfers, sets over and otherwise conveys to AMERICAN EXPRESS CREDIT CORPORATION (the "Buyer"), without recourse, pursuant to and on the terms and conditions set forth in the Amended and Restated Agreement of Sale and Purchase, dated as of October 30, 2008, as amended (the "Agreement") (terms capitalized herein being used as defined in the Agreement), all right, title and interest of the Seller in, to and under:

(i) all Receivables that (a) were owned by the Seller on the date hereof and (b) were created during the immediately preceding Monthly Period and were not previously sold to the Buyer on the preceding Purchase Date and (c) were and will be created during the Monthly Stub Period (the "Monthly Stub Period Receivables") for the month in which this Purchase Date occurs (all such Receivables being sold hereinafter called "Receivables");

(ii) all Recoveries allocable to such Receivables;

(iii) all monies due or to become due and all amounts received or receivable with respect to such Receivables; and

(iv) the proceeds (including "proceeds" as defined in the UCC) thereof.

We have set forth on the attached Settlement Statement the activity for the Monthly Period and calculation of the Payment Amount for the Receivables purchased on the date hereof, including the estimated purchase price for the Monthly Stub Period Receivables.

Please acknowledge your acceptance and approval hereof by executing the Settlement Statement attached hereto.

AMERICAN EXPRESS CENTURION BANK

By: ______________________________
Name:
Title:

Purchase Date: [_____] [__], [_____]
Monthly Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]
Monthly Stub Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]

SETTLEMENT STATEMENT FOR EACH PURCHASE DATE

BALANCES OF RECEIVABLES

Item			
1	Balance owned by American Express Centurion Bank at beginning of Monthly Period, less reserve for losses		$ ____________
2	Aggregate Face Amount of New Receivables created during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the Monthly Period		$ ____________
3		Subtotal	$ ____________
	Deduct:		
4	Payments by Cardmembers during the Monthly Period		$ ____________
5	Write-offs of Uncollectible Receivables during the Monthly Period		$ ____________
6	Balance owned by Credco at end of Monthly Period		$ ____________

DETERMINATION OF PAYMENT AMOUNT

Item		
7	________ per cent of Item 1* (purchase price of existing Receivables less reserve for losses) and ________per cent of Item 2 (purchase price of New Receivables during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments)	$ ____________
	Deduct:	
8	Recoveries	$ ____________
9	Item 4 (Payments by Cardmembers)	$ ____________
10	Payment due to (from) American Express Centurion Bank	$ ____________
11	Estimated payment due to (from) American Express Centurion Bank with respect to Monthly Stub Period Receivables being sold on this Purchase Date**	$ ____________
12	Net payment due to (from) American Express Centurion Bank	$ ____________

* Discount rate applicable to purchase of existing receivables net of reserve for losses to be agreed to by parties at fair market value of such receivables.

** Estimated payment with respect to Monthly Stub Period Receivables shall be determined in a reasonable manner as agreed from time to time by Buyer and Seller.

Accepted and Approved on __________________, 200__:

AMERICAN EXPRESS CREDIT CORPORATION

By: ____
Name:
Title:

AMENDED AND RESTATED AGREEMENT FOR SALE AND PURCHASE OF RECEIVABLES DATED AS OF OCTOBER 30, 2008

The Seller and the Purchaser entered into that certain Amended and Restated Agreement for Sale and Purchase of Receivables, dated as of October 26, 2007, as amended by Amendment No. 1 thereto dated as of October 16, 2008. The Seller and the Purchaser desire to further amend and restate that Agreement. Accordingly, that Agreement is hereby amended and restated in its entirety to read as follows:

THIS AMENDED AND RESTATED AGREEMENT (the "Agreement") is made as of October 30, 2008, between AMERICAN EXPRESS BANK, FSB, a federal savings bank duly organized and validly existing under the laws of the United States of America and having a principal place of business at 4315 South 2700 West, Salt Lake City, Utah 84184 (the "Seller") and AMERICAN EXPRESS CREDIT CORPORATION, a corporation duly organized and validly existing under the laws of the State of Delaware and having a place of business at One Christina Centre, 301 North Walnut Street, Suite 1002, Wilmington, Delaware 19801-2919 (the "Buyer").

WHEREAS,

A. The Seller owns charge card accounts pursuant to which the Seller issues American Express Card products to consumers;

B. The Seller sells to the Buyer receivables arising under certain of these charge card accounts and the Buyer purchases such receivables from the Seller (such receivables as have been sold prior to the date hereof are hereinafter referred to as the "Initial Purchases"); and

C. The Seller wishes to continue to sell receivables arising under charge card accounts to the Buyer and the Buyer wishes to continue to purchase such receivables from the Seller in accordance with this Agreement (such receivables as are sold on or after the date hereof are hereinafter referred to as the "Future Purchases").

NOW, THEREFORE, the parties hereby agree as follows:

Section 1. **Certain Definitions**

The following terms when capitalized in this Agreement and used either in the singular or the plural have the following meanings:

"ACSC" means Amex Card Services Company, a Delaware corporation, and its successors and assigns.

"Assignment" has the meaning described in Section 4(a) hereof.

“Business Day” means a day on which both the Seller’s and the Buyer’s principal offices are open for business.

“Card” means a charge card issued by the Seller with respect to a consumer account owned by the Seller.

“Cardmember” means the person or firm obligated to make payments to the Seller with respect to charges incurred by the use of a Card.

“First Day of a Monthly Period” has the meaning set forth in the definition of Monthly Period.

“Fraud” means the misuse or fraudulent use of a Card or its related details by an unauthorized person or entity.

“Future Purchases” has the meaning defined in the recitals of this Agreement.

“Governmental Authority” means the United States of America, any state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Initial Purchases” has the meaning defined in the recitals of this Agreement.

“Initial Resumption Settlement Statement” shall mean the statement substantially in the form set forth in Exhibit D.

“Insolvency Event” means the occurrence of the following with respect to a party: (a) such party shall file a petition or commence a Proceeding, (i) to take advantage of any bankruptcy, conservatorship, receivership, insolvency, or similar laws, or (ii) for the appointment of a trustee, conservator, receiver, liquidator or similar official for or relating to such party or all or substantially all of its property, (b) such party shall consent or fail to object to any such petition filed or Proceeding commenced against or with respect to it or all or substantially all of its property, or any such petition or Proceeding shall not have been dismissed within sixty (60) days of its filing or commencement, or a court, agency, or other supervisory authority with jurisdiction shall have decreed or ordered relief with respect to any such petition or Proceeding, (c) such party shall be unable, or shall admit in writing its inability, to pay its debts generally as they become due, (d) such party shall make an assignment for the benefit of its creditors or (e) such party shall voluntarily suspend payment of substantially all of its obligations.

“Last Day of a Monthly Period” has the meaning set forth in the definition of Monthly Period.

“Monthly Period” means the period (a) from and including the second day following the last day of the seventh billing cycle applicable to the charge card accounts ending during a calendar month (such day being the “First Day of a Monthly Period”) and (b) to and including the day following the last day of the seventh billing cycle applicable to the charge card accounts ending in the next calendar month (such day being the “Last Day of a Monthly Period”). Each

Monthly Period shall include the Monthly Stub Period for the calendar month in which the First Day of such Monthly Period occurs.

"Monthly Stub Period" means the period in a calendar month from and including the day following the Last Day of a Monthly Period that occurs during such calendar month to and including the last calendar day of such calendar month.

"Monthly Stub Period Receivables" has the meaning described in Section 2 hereof.

"New Receivable" has the meaning described in Section 2 hereof.

"Payment Amount" has the meaning described in Section 4(b) hereof.

"Proceeding" means any suit in equity, action at law or other judicial or administrative proceeding.

"Purchase Date" means each date that Receivables are purchased by the Buyer and sold by the Seller under this Agreement. Currently, the Purchase Date with respect to a Monthly Period and Monthly Stub Period is such date mutually agreed upon by the Buyer and the Seller that falls between the last day of such Monthly Period and the last business day of the calendar month in which such last day of the Monthly Period has occurred.

"Receivables" means all amounts payable by a Cardmember (or any other obligor including any guarantor) on any Card account; provided, that such term shall not include any Securitized Receivables.

"Recoveries" means all amounts received with respect to Receivables which have previously been charged off.

"Relationship Adjustments" means adjustments downward to Receivables balances made in good faith by the Servicer pursuant to its customary servicing standards and guidelines for customer service and Cardmember account relations and to give effect to rebates offered by the Seller to Cardmembers as marketing incentives and product features. In no event shall Relationship Adjustments include adjustments attributable to Uncollectible Receivables and adjustments made as part of the Servicer's credit and collection processes. For the avoidance of doubt, Relationship Adjustments shall not have the purpose or effect of protecting Credco from credit risk in Sold Receivables.

Requirements of Law" means any law, treaty, rule or regulation, or determination of an arbitrator or Governmental Authority, whether Federal, state or local (including without limitation usury laws, the Federal Truth in Lending Act and Regulation B and Regulation Z of the Board of Governors of the Federal Reserve System), and, when used with respect to any entity, the certificate of incorporation and by-laws or other organizational or governing documents of such entity.

"Securitized Receivables" means (a) from and after May 19, 2005, those receivables that the Buyer previously purchased from the Seller prior to the date hereof and that were sold by the Buyer to TRS pursuant to that certain Sale Agreement No. 1, dated as of May 19, 2005, between the Buyer and TRS and pursuant to that certain Sale Agreement No. 2, dated as of August 3, 2004, between the Buyer and TRS, and (b) those receivables that arise in accounts that are Accounts under that certain Transfer and Servicing Agreement (the "Transfer Agreement") among American Express Receivables Financing Corporation V LLC, TRS, American Express Issuance Trust and The Bank of New York, dated as of May 19, 2005, as it shall be supplemented, modified and amended from time to time, from and after the date that such accounts become Accounts under the Transfer Agreement.

"Service Establishment" means any person or firm (including affiliates of the Seller) that accepts charges incurred by the use of the Card in lieu of cash or other payment upon a purchase of goods or services.

"Servicer" means such entity, if any, as has been retained to service the Receivables. At the date hereof, ACSC is the Servicer.

"Servicing Agreement" has the meaning described in Section 3(a) hereof.

"Settlement Statement" shall mean the statement substantially in the form set forth on Exhibit A, as applicable.

"Sold Receivables" means those Receivables that have been sold to the Buyer under this Agreement.

"Suspension Settlement Statement" shall mean the statement substantially in the form set forth in Exhibit C.

"Termination Settlement Statement" shall mean the statement substantially in the form set forth on Exhibit B.

"TRS" means American Express Travel Related Services Company, Inc., a New York corporation, and its successors and assigns.

"UCC" means the Uniform Commercial Code.

"Uncollectible Receivables" means those Receivables that the Seller or Servicer, after having made reasonable efforts to collect, determines in good faith, based upon its experience in credit card operations, should be written off as uncollectible at or prior to the time in question.

"Weekly Period" means with respect to settlement of Sold Receivables after the termination of the purchase and sale of Receivables under Section 8(a) hereof or the suspension of the purchase and sale of Receivables under Section 8(b) hereof, the period from the date on which such notice of termination or suspension of purchases of Receivables shall be effective to and including the period seven calendar days thereafter and each such successive seven calendar day period.

Section 2. **Sale and Purchase of Receivables**

(a) On each Purchase Date, the Seller shall sell to the Buyer without recourse, and the Buyer shall purchase from the Seller, all right, title and interest of the Seller in, to and under all Receivables that (i) were created during the immediately preceding Monthly Period and were not previously sold to the Buyer on the preceding Purchase Date and (ii) all Receivables created and to be created during the Monthly Stub Period (the "Monthly Stub Period Receivables") for the calendar month in which such Purchase Date occurs (such Receivables being sold hereinafter called "New Receivables").

(b) The Buyer shall not be under any obligation on a Purchase Date to purchase any New Receivables which are Uncollectible Receivables at the end of the related Monthly Period. The price to be paid by the Buyer for New Receivables shall be an amount equal to 100% of the aggregate balance of the New Receivables being sold discounted to reflect such factors, if any, as Seller and Buyer mutually agree will result in a purchase price determined to be the fair market value of such New Receivables. The sale of Receivables shall include the sale of all monies due or to become due and all amounts received or receivable with respect to such Receivables, including all Recoveries allocable to such Receivables, and the proceeds (including "proceeds" as defined in the UCC) thereof. The Buyer shall have the right to pledge, assign, transfer, sell and exercise full control over all Receivables that it shall have purchased pursuant to this Agreement.

(c) The purchase price for all Receivables sold hereunder on a Purchase Date shall be paid on such Purchase Date. For all purposes hereunder, the purchase price for all Receivables during a period shall be offset by the amount of collections with respect to Sold Receivables and New Receivables during such period. On the Purchase Date, to the extent it is not ascertainable, the parties shall estimate in a reasonable manner agreed to by the parties the amount of Monthly Stub Period Receivables being sold on such Purchase Date, as well as an estimate of the amount of collections and recoveries with respect to Sold Receivables and New Receivables during the Monthly Stub Period, to arrive at an estimated payment amount with respect to the Monthly Stub Period Receivables being sold on such Purchase Date.

(d) The parties intend that each transfer of Receivables by the Seller to the Buyer pursuant to this Agreement be an absolute sale and not a secured borrowing, for all purposes, including accounting.

Section 3. **Billing and Collection of Receivables**

(a) The Seller has retained the Servicer to perform the accounting, clerical and other services necessary to manage, bill and collect payments for all Receivables pursuant to the most recently approved Service Agreement between the Servicer and the Seller relating to charge card receivables (the "Servicing Agreement"). The Buyer agrees that it shall be responsible for payment of all fees charged by the Servicer under the Servicing Agreement and related to the servicing of the Sold Receivables. The Buyer shall pay such fees directly to the Servicer. By its signature below, the Servicer agrees that the Seller shall not be responsible for payment of such fees, releases the Seller from any liability for such fees and agrees that Servicer shall have recourse only to the Buyer for payment of all such fees. The Buyer covenants to Servicer that it shall promptly pay all such fees. The Buyer authorizes the Servicer to bill and collect Sold Receivables in the Seller's or TRS' name, as applicable, but for the Buyer's account and benefit. The Seller agrees it shall direct the Servicer to follow substantially the same billing and collection policies being followed at the time of execution of this Agreement (including without limitation the collection from Service Establishments of any portion of Card accounts and Receivables for which such Service Establishments are liable, either because they have permitted charges in excess of authorized limits or otherwise) and shall not institute any significant changes in such billing and collection policies without the prior consent of the Buyer. The Buyer agrees that the Seller may have use of the collections on Sold Receivables between Purchase Dates, provided that the Seller may in its discretion require that collections be remitted directly to it by giving notice to the Servicer. The Seller acknowledges that it holds any such collections that it may receive in trust for the Buyer. The Buyer and the Seller may mutually agree that the Seller will remit the collections it receives on Sold Receivables to the Buyer more frequently than on the Purchase Date with respect to each Monthly Period, provided that if the parties so agree, then the Settlement Statement for the next succeeding Purchase Date shall reflect the fact that the Seller has remitted collections on Sold Receivables prior to the date of such Settlement Statement and such payments shall be included in determining the net amount due to the Seller or from the Buyer for New Receivables being sold on such Purchase Date and provided further, that if the parties so agree to more frequent remittances of collections on Sold Receivables by the Seller to the Buyer, the amounts of such remittances paid by the Seller to the Buyer during the period before the next succeeding Purchase Date may be discounted to reflect such factors, if any, as the Seller reasonably determines will reflect the changes in funding costs and other expenses of the Seller resulting from the more frequent remittance of collections which changes were not reflected in the determination of the sale price of such Receivables.

(b) On each Purchase Date, the Seller shall advise the Buyer of the amount of Sold Receivables which have become Uncollectible Receivables during the related Monthly Period. The Seller shall not be obliged to direct the Servicer to make any effort to collect Uncollectible Receivables other than in accordance with its customary policies and procedures unless requested by the Buyer to do so, in which case the Buyer shall solely be responsible for all costs and expenses of the Servicer in making additional efforts to collect Uncollectible Receivables.

(c) All amounts collected by Seller on Sold Receivables and New Receivables pursuant to the foregoing provisions of this Section 3 are hereinafter called "Collections on Sold Receivables". The aggregate amount of Collections on Sold Receivables during a Monthly Period shall be settled on the related Purchase Date in accordance with Section 4(b) of this Agreement except that after any termination pursuant to Section 8 all Collections on Sold Receivables shall be settled in accordance with Section 8.

Section 4. **Procedure for Purchase and Payment**

(a) In connection with each sale and purchase of Receivables on each Purchase Date, the Seller shall deliver to the Buyer a duly executed assignment, substantially in the form set forth in Exhibit A (each, an “Assignment”) to the Buyer of all of the Seller’s right, title and interest in and to the Receivables then being sold to the Buyer.

(b) On each Purchase Date, the Seller shall also submit to the Buyer a statement in writing substantially in the form of and containing the information specified in Exhibit A hereto.

(c) The amount payable by Seller to Buyer or by Buyer to Seller, as calculated on any given payment date (the “Payment Amount”), shall be calculated as set forth in Exhibit A. The Seller agrees to pay the Buyer the Payment Amount if the Payment Amount is a negative number, and the Buyer agrees to pay the Seller if the Payment Amount is a positive number. If the Payment Amount equals zero, then no payment will be due from or to one party by the other party. The Buyer shall pay to the Seller or the Seller shall pay to the Buyer, as the case may be, such net amount due on the Purchase Date, which payment shall be in the form of cash.

(d) As a remedy for any breaches of its representation and warranty contained in Section 9(b)(viii), on each Purchase Date the Seller shall credit to the Buyer an amount equal to the portion of Sold Receivables as to which, during the related Monthly Period, the Servicer has adjusted downward the amount payable because of Fraud or has made a Relationship Adjustment, in each case after application of an applicable discount rate. This shall be effectuated by reducing the aggregate face amount of New Receivables being sold on each Purchase Date by the aggregate face amount of adjustments downward as a result of Fraud and Relationship Adjustments during the related Monthly Period.

Section 5. **Pledge of New Receivables and Filing of Financing Statements**.

(a) The parties hereto agree that the purchase by Buyer of New Receivables shall constitute an absolute sale and assignment of Receivables to Buyer and not a loan to Seller. In the event that Article 9 of the UCC applies or may apply to the transactions contemplated hereby, and in addition to otherwise secure payment of and performance by Seller of any and all of its indebtedness, liabilities and obligations to Buyer, now existing or hereafter arising whatsoever, in each case solely pursuant to this Agreement, including, without limitation, all obligations of Seller under this Agreement to perform acts or refrain from taking any action, Seller hereby grants to Buyer, a first priority continuing security interest in and to all of Seller's right, title and interest in, to and under the Sold Receivables, and all proceeds thereof. Buyer shall have all of the rights and remedies of a secured party under the UCC as in effect in the State of Utah. This Agreement shall constitute a security agreement under applicable law.

(b) In addition, to secure payment of and performance by Buyer of any and all of its indebtedness, liabilities and obligations to Seller, now existing or hereafter arising whatsoever, in each case solely pursuant to this Agreement, including, without limitation, all obligations of Buyer under this Agreement with respect to payments for purchased New Receivables, Buyer hereby grants to Seller, a first priority continuing security interest in and to all of Buyer’s right, title and interest in, to and under all payment received in respect of Sold Receivables, and all proceeds thereof. Seller shall have all of the rights and remedies of a secured party under the UCC as in effect in the State of Utah. This Agreement shall constitute a security agreement under applicable law.

(c) In connection with the above grants of security interest, each party in its capacity as debtor agrees, if requested by the other party, to file, at its own expense, one or more financing statements (and amendments with respect to such financing statements when applicable) meeting the requirements of applicable state law in such manner and in such jurisdictions as are necessary to perfect the above grants of security interest and to deliver a file-stamped copy of such financing statements or amendments or other evidence of such filing to the other party.

Section 6. **Maintenance of Quality of Receivables**

The Seller shall not materially reduce the credit standards used in determining whether a Card is to be issued to an applicant therefor or materially liberalize its policy as to the cancellation of a Card for credit reasons without providing prior written notice of such action to the Buyer.

Section 7. **The Seller Required to Furnish Certain Information**

The Buyer shall have the right from time to time at reasonable intervals to require the Seller to supply such information as the Buyer may reasonably request respecting the Seller's credit standards, accounting, data processing, collection practices and experience in Receivables collection and turnover. Any such information shall be deemed to have been requested reasonably only if it is necessary or appropriate for a determination of the adequacy of the Buyer's reserve for Receivables losses, the rate of collection of Receivables, the risk of uncollectibility thereof, or whether amounts collected on Sold Receivables are being properly accounted for by Seller, or to ascertain the appropriateness of the Settlement Statements or Termination Settlement Statements. The Seller shall also furnish such information as the Buyer may reasonably request respecting the creditworthiness and credit ratings of the Seller.

Section 8. **Termination**

(a) This Agreement shall remain in effect until (i) sales and purchases hereunder are terminated by either party hereto by the giving of written notice to the other party specifying the effective date of such termination, which unless otherwise agreed in writing shall be effective following the settlement of a Purchase Date, or (ii) an Insolvency Event shall have occurred with respect to either party, in which event this Agreement shall terminate automatically upon the occurrence of such Insolvency Event. No such termination shall affect the rights of the parties hereto with respect to Sold Receivables. In the event of any such termination of this Agreement the parties shall settle activity with respect to Sold Receivables on a weekly or monthly basis, as they may mutually agree, provided that if they cannot agree then settlements will be on a monthly basis, in accordance with the methodology set forth in the Termination Settlement Statement set forth in Exhibit B until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero, provided, that if the parties have agreed to weekly settlements, then the amounts of such remittances paid by the Seller to the Buyer may be discounted to reflect such factors, if any, as the Seller reasonably determines will reflect the changes in funding costs and other expenses of the Seller resulting from the weekly remittances of collections which changes were not reflected in the determination of the sale price of such Receivables

(b) Sales and purchases under this Agreement may be suspended from time to time by either party hereto by the giving of written notice to the other party specifying the effective date of such suspension, which unless otherwise agreed in writing shall be effective following the settlement of a Purchase Date. In the event of such a suspension, this Agreement shall otherwise remain in effect and purchases and sales may be resumed if the parties hereto mutually agree. No such suspension shall affect the rights of the parties hereto with respect to Sold Receivables. In the event of any such suspension of purchases and sales hereunder the parties shall settle activity with respect to Sold Receivables on a weekly or monthly basis, as they may mutually agree, provided that if they cannot agree then settlements will be on a monthly basis, in accordance with the methodology set forth in the Suspension Settlement Statement set forth in Exhibit C until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero, provided, that if the parties have agreed to weekly settlements, then the amounts of such remittances paid by the Seller to the Buyer may be discounted to reflect such factors, if any, as the Seller reasonably determines will reflect the changes in funding costs and other expenses of the Seller resulting from the weekly remittances of collections which changes were not reflected in the determination of the sale price of such Receivables.
Upon any resumption of purchases and sales hereunder, the parties shall follow the procedure for purchase and payment as provided in section 4 of this Agreement;provided that in settling the first Purchase Date after the resumption of purchases and sales, the parties shall make such settlement in accordance with the methodology set forth in the Resumption Initial Settlement Statement set forth in Exhibit D.

.Section 9. **Representations and Warranties and Agreements**

(a) Representations and warranties and agreements by the Buyer with respect to Initial Purchases and Future Purchases, which shall survive the purchase of Receivables by the Buyer:

(i) The Buyer represents and warrants that it is duly organized and validly existing under the laws of the State of Delaware and that it: (i) has procured all licenses, permits and consents required by law to entitle the Buyer to enter into and perform this Agreement; and (ii) will take all action necessary to keep such licenses, permits and consents in full force and effect during the term of this Agreement.

(ii) The Buyer represents and warrants that the execution and delivery by Buyer of this Agreement and any other document or instrument delivered by Buyer pursuant thereto to which Buyer is a party and the consummation by Buyer of the transactions provided for in this Agreement have been duly authorized by Buyer by all necessary action on the part of Buyer.

(iii) The Buyer represents and warrants that the execution and delivery by Buyer of this Agreement, the performance by Buyer of the transactions contemplated by this Agreement and the fulfillment by Buyer of the terms of this Agreement applicable to Buyer, will not conflict with or violate any requirements of law applicable to Buyer or conflict with, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which Buyer is a party or by which it or its properties are bound.

(iv) The Buyer represents and warrants that there are no judicial or administrative proceedings pending or to its best knowledge threatened against it before any Governmental Authority (a) asserting the invalidity of this Agreement, (ii) seeking any determination or ruling that, in its reasonable judgment, would materially and adversely affect the performance by Buyer of its obligations under this Agreement, (iii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, or (iv) seeking any determination or ruling that, in the reasonable judgment of Buyer, would materially and adversely affect the validity or enforceability of this Agreement.

(v) The Buyer represents and warrants that this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable debtor relief laws or general principles of equity.

(b) Representations and warranties and agreements by the Seller with respect to Initial Purchases and Future Purchases, which shall survive the sale of Receivables to Buyer:

(i) The Seller represents and warrants that, as of each Purchase Date, the relevant Assignment provided for in Section 4 above will vest in the Buyer the entire right, title and interest in, to and under the Receivables sold and assigned thereby and in the money due or to become due in respect of such Receivables and in the proceeds of collection thereof, free from liens, encumbrances, claims of third parties, offsets, counterclaims or defenses, except offsets, counterclaims or defenses which, as of the Purchase Date on which the Receivables in question are sold and assigned, have not been asserted or, if asserted, have not been established, either to the Seller's satisfaction or by final judgment or order of a court having jurisdiction, to be valid.

(ii) The Seller represents and warrants that the execution and delivery by Seller of this Agreement and any other document or instrument delivered by Seller pursuant thereto to which Seller is a party and the consummation by Seller of the transactions provided for in this Agreement have been duly authorized by Seller by all necessary action on the part of Seller.

(iii) The Seller represents and warrants that the execution and delivery by Seller of this Agreement and each Assignment, the performance by Seller of the transactions contemplated by this Agreement and each Assignment and the fulfillment by Seller of the terms of this Agreement applicable to Seller, will not conflict with or violate any requirements of law applicable to Seller or conflict with, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which Seller is a party or by which it or its properties are bound.

(iv) The Seller represents and warrants that all authorizations, consents, orders or approvals of or registrations or declarations with any Governmental Authority required to be obtained, effected or given by Seller in connection with the execution and delivery by Seller of this Agreement and the performance by seller of the transactions contemplated by this Agreement and the sale of Receivables pursuant to this Agreement and each Assignment have been duly obtained, effected or given and are in full force and effect.

(v) The Seller represents and warrants that there are no judicial or administrative proceedings pending or to its best knowledge threatened against it before any Governmental Authority (a) asserting the invalidity of this Agreement, (b) seeking any determination or ruling that, in its reasonable judgment, would materially and adversely affect the performance by Seller of its obligations under this Agreement, (c) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, or (d) seeking any determination or ruling that, in the reasonable judgment of Seller, would materially and adversely affect the validity or enforceability of this Agreement.

(vi) The Seller represents and warrants that this Agreement and each Assignment constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable debtor relief laws or general principles of equity.

(vii) The Seller represents and warrants that all Sold Receivables (a) were created in compliance in all material respects with all Requirements of Law applicable to the Seller, (b) constitute Receivables as to which all material consents, licenses, approvals or authorizations of, or registrations or declarations with, any Governmental Authority required to be obtained, effected or given in connection with the creation of such receivables have been duly obtained, effected or given and are in full force and effect, (c) at the time of their sale to the Buyer, constitute Receivables as to which the Seller had good and marketable title thereto, (d) at the time of their sale to the Buyer, constitute Receivables that have not been waived or modified except in accordance with the normal and customary credit practices of the Seller and which waiver or modification are reflected in the Seller's or Servicers' computer file of accounts, and (e) at the time of their sale to the Buyer constituted either an "account" or a "general intangible" under and as defined in Article 9 of the UCC as then in effect in any state where the filing of a financing statement is then required to perfect the Buyer's interest in the Sold Receivables and the proceeds thereof.

(viii) The Seller represents and warrants that all Sold Receivables constitute legal, valid and binding payment obligations of the Cardmember thereon enforceable against such Cardmember in accordance with its terms except as such enforceability may be limited by applicable debtor relief laws or general principles of equity.

(ix) The Seller agrees to maintain or cause to be maintained accurate and complete records with respect to all Sold Receivables (including such as will enable the Buyer to fully identify all Sold Receivables), to retain such records for at least such periods of time as they are retained under the Seller's present practice and to deliver to the Buyer, on demand, copies of any records required by the Buyer in connection with the Buyer's enforcement of its rights under this Agreement.

Section 10. **Miscellaneous**

(a) There are no restrictions, promises, warranties, covenants, undertakings or representations other than those expressly set forth in this Agreement, and nothing in this Agreement or otherwise shall be construed as making the Seller responsible in any way or to any extent for the payment of any principal, interest or premium on the Buyers' obligations or for the fulfillment of any other obligation or commitment of the Buyer.

(b) No amendment or modification of this Agreement shall be effective unless in writing and signed by the party against whom enforcement of such amendment or modification is sought. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(c) Any notice required or permitted by this Agreement shall be deemed to have been duly and properly given if delivered by hand, first class mail, telex or facsimile to the other party, at the following address:-

If to the Seller, to:

AMERICAN EXPRESS BANK, FSB
4315 South 2700 West
Salt Lake City, Utah 84184

Attention: Robert Radle, Chief Financial Officer
Telephone: (801) 945-6752
Facsimile: (801) 945-4045

With a copy to:

Tim Heine, Esq.
Managing Counsel
American Express Company
200 Vesey Street- 49th Floor
New York, New York 10285

Telephone: (212) 640-5775
Facsimile: (212) 640-0364

If to the Buyer, to:

AMERICAN EXPRESS CREDIT CORPORATION
One Christina Centre
301 North Walnut Street, Suite 1002
Wilmington, Delaware 19801-2919

Attention: Christopher S. Forno, CEO
Telephone: (302) 576-4896
Facsimile: (302) 571-8073

With a copy:

David Carroll, Esq.
Group Counsel
American Express Company
200 Vesey Street – 49th Floor
New York, New York 10285

Telephone: (212) 640-5783
Facsimile: (212) 640-0365

or such other address as either party hereto may furnish to the other in writing at any time.

(d) This Agreement shall be governed by and construed in accordance with the laws of New York applicable to contracts made and to be performed in New York.

(e) The parties agree to do and perform, form time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the other party more fully to effect the purposes of this Agreement.

(f) This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

(e) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

AMERICAN EXPRESS BANK, FSB

By: /s/ Robert Radle
Name: Robert Radle
Title: Chief Financial Officer

AMERICAN EXPRESS CREDIT CORPORATION

By: /s/ Christopher S. Forno
Name: Christopher S. Forno
Title: Chief Executive Officer

By its signature below, Amex Card Services Company agrees to the matters set forth in Section 3(a) relating to it, as Servicer.

AMEX CARD SERVICES COMPANY

By: /s/ James P. Bush
Name: James P. Bush
Title: President

EXHIBIT A

TO BE DELIVERED ON EACH PURCHASE DATE

ASSIGNMENT OF RECEIVABLES

(a) AMERICAN EXPRESS BANK, FSB (the "Seller") hereby sells, assigns, transfers, sets over and otherwise conveys to AMERICAN EXPRESS CREDIT CORPORATION (the "Buyer"), without recourse, pursuant to and on the terms and conditions set forth in the Amended and Restated Agreement of Sale and Purchase, dated as of October 30, 2008 (the "Agreement") (terms capitalized herein being used as defined in the Agreement), all right, title and interest of the Seller in, to and under:

(i) all Receivables that (a) were created during the immediately preceding Monthly Period and were not previously sold to the Buyer on the preceding Purchase Date and (b) were and will be created during the Monthly Stub Period (the "Monthly Stub Period Receivables") for the month in which this Purchase Date occurs (all such Receivables being sold hereinafter called "New Receivables");

(ii) all Recoveries allocable to such New Receivables;

(iii) all monies due or to become due and all amounts received or receivable with respect to such New Receivables; and

(iv) the proceeds (including "proceeds" as defined in the UCC) thereof.

We have set forth on the attached Settlement Statement the activity for the Monthly Period and calculation of the Payment Amount for the Receivables purchased on the date hereof, including the estimated purchase price for the Monthly Stub Period Receivables.

Please acknowledge your acceptance and approval hereof by executing the Settlement Statement attached hereto.

AMERICAN EXPRESS BANK, FSB

By: ______________________________
Name:
Title:

Purchase Date: [_____] [__], [_____]

Monthly Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]
Monthly Stub Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]

SETTLEMENT STATEMENT FOR EACH PURCHASE DATE

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at beginning of Monthly Period	$ ____________
2	Aggregate Face Amount of New Receivables created during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the Monthly Period	$ ____________
3	Subtotal	$ ____________
	Deduct:	
4	Payments by Cardmembers during the Monthly Period	$ ____________
5	Write-offs of Uncollectible Receivables during the Monthly Period	$ ____________
6	Balance owned by Credco at end of Monthly Period	$ ____________

DETERMINATION OF PAYMENT AMOUNT

Item		
7	________ per cent of Item 2 (purchase price of New Receivables during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments)	$ ____________
	Deduct:	
8	Recoveries	$ ____________
9	Item 4 (Payments by Cardmembers)	$ ____________
10	Payment due to (from) American Express Bank, FSB	$ ____________
11	Estimated payment (made to) from American Express Bank, FSB on the prior Purchase Date with respect to Monthly Stub Period Receivables sold on the prior Purchase Date	$ ____________
12	Estimated payment due to (from) American Express Bank, FSB with respect to Monthly Stub Period Receivables being sold on this Purchase Date*	$ ____________
13	Net payment due to (from) American Express Bank, FSB	$ ____________

* Estimated payment with respect to Monthly Stub Period Receivables shall be determined in a reasonable manner as agreed from time to time by Buyer and Seller.

Accepted and Approved on __________________, 200__:

AMERICAN EXPRESS CREDIT CORPORATION

By: ________________________________
Name:
Title:

EXHIBIT B

TERMINATION SETTLEMENT STATEMENTS

1. After termination of the sale and purchase of Receivables under this Agreement, the parties shall settle activity that occurs in each [Weekly][Monthly] Period after termination of the Agreement. The settlement shall occur at least [weekly][monthly], such settlement to occur no later than the last business day of each [Weekly][Monthly] Period with respect to activity that occurred in the [Weekly][Monthly] Period the last day of which occurred in such [week][month]. The settlements shall continue in accordance with the methodology set forth in this Exhibit B until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero.

2. The methodology for the first settlement after termination shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at end of prior period settlement (Item of previous report, dated)	$ ______________
	Deduct:	
2	Accelerated estimated write-offs of the balance above owned by Credco (determined by applying the reserve rate used by Credco to reserve for losses prior to termination multiplied by the balance of Receivables set forth above owned by Credco at end of prior period settlement)	$ ______________
3	Downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period	$ ______________
4	Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(a) of the Agreement in case of weekly settlements] (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______________
5	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 3 and 4 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ______________

DETERMINATION OF PAYMENT AMOUNT

Item		
6	Recoveries during the [Weekly][Monthly] Period (allocated to Credco)	$ ______________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ______________
8	Item 4 (Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(a) of the Agreement in case of weekly settlements])	$ ______________
9	Payment due from American Express Bank, FSB	$ ______________

3. Thereafter, the methodology for each subsequent settlement shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at beginning of [Weekly][Monthly] Period (Item of previous report, dated)	$ ______________
	Deduct:	
2	Payments on Receivables during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(a) of the Agreement in case of weekly settlements] (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______________
3	Downward adjustments to Cardmembers' Accounts as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______________
4	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 2 and 3 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ______________

DETERMINATION OF PAYMENT AMOUNT

Item		
5	Portion of Recoveries (a percentage of Recoveries determined by dividing the total balance of charge card Receivables owned by Credco and American Express Bank, FSB (or any assignee thereof) by Item 1 above).	$ ____________
6	Item 2	$ ____________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ____________
8	Payment due from American Express Bank, FSB	$ ____________

EXHIBIT C

SUSPENSION SETTLEMENT STATEMENTS

1. After suspension of the sale and purchase of Receivables under this Agreement, the parties shall settle activity that occurs in each [Weekly][Monthly] Period after suspension of the Agreement. The settlement shall occur at least [weekly][monthly], such settlement to occur no later than the last business day of each [Weekly][Monthly] Period with respect to activity that occurred in the [Weekly][Monthly] Period the last day of which occurred in such [week][month]. The settlements shall continue in accordance with the methodology set forth in this Exhibit C until such time as Buyer's owned balance of Receivables (excluding all Uncollectible Receivables) is brought down to zero.

2. The methodology for the first settlement after suspension shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at the end of prior period settlement (Item of previous report, dated)	$ ______
	Deduct:	
2	Accelerated estimated write-offs of the balance above owned by Credco (determined by applying the reserve rate used by Credco to reserve for losses prior to suspension multiplied by the balance of Receivables set forth above owned by Credco at the end of the prior period settlement	$ ______
3	Downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period	$ ______
4	Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in section 8(b) of the Agreement in case of monthly settlements] (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ______
5	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 3 and 4 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ______

DETERMINATION OF PAYMENT AMOUNT

Item		
6	Recoveries during the [Weekly][Monthly] Period (allocated to Credco)	$ ____________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ____________
8	Item 4 (Payments by Cardmembers during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(b) of the Agreement in case of monthly settlements)	$ ____________
9	Payment due from American Express Bank, FSB	$ ____________

3. Thereafter, the methodology for each subsequent settlement shall be as follows:

BALANCES OF RECEIVABLES

Item		
1	Balance owned by Credco at beginning of [Weekly][Monthly] Period (Item of previous report, dated)	$ ____________
	Deduct:	
2	Payments on Receivables during the [Weekly][Monthly] Period [as adjusted as provided in Section 8(b) of the Agreement in case of monthly settlements] (but not greater than the amount required to bring Credco's balance owned at end of Weekly Period to zero)	$ ____________
3	Downward adjustments to Cardmembers' Accounts as a result of Fraud and Relationship Adjustments that occurred during the [Weekly][Monthly] Period (but not greater than the amount required to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero)	$ ____________
4	Balance owned by Credco at end of [Weekly][Monthly] Period (if items 2 and 3 are not sufficient to bring Credco's balance owned at end of [Weekly][Monthly] Period to zero).	$ ____________

DETERMINATION OF PAYMENT AMOUNT

Item		
5	Portion of Recoveries (a percentage of Recoveries determined by dividing the total balance of charge card Receivables owned by Credco and American Express Bank, FSB (or any assignee thereof) by Item 1 above).	$ ______________
6	Item 2	$ ______________
7	________ per cent of Item 3 (downward adjustments as a result of Fraud and Relationship Adjustments, after application of discount rate)	$ ______________
8	Payment due from American Express Bank, FSB	$ ______________

EXHIBIT D

TO BE DELIVERED ON INITIAL RESUMPTION PURCHASE DATE

ASSIGNMENT OF RECEIVABLES

(b) AMERICAN EXPRESS BANK, FSB (the "Seller") hereby sells, assigns, transfers, sets over and otherwise conveys to AMERICAN EXPRESS CREDIT CORPORATION (the "Buyer"), without recourse, pursuant to and on the terms and conditions set forth in the Amended and Restated Agreement of Sale and Purchase, dated as of October 30, 2008, as amended (the "Agreement") (terms capitalized herein being used as defined in the Agreement), all right, title and interest of the Seller in, to and under:

(i) all Receivables that (a) were owned by the Seller on the date hereof and (b) were created during the immediately preceding Monthly Period and were not previously sold to the Buyer on the preceding Purchase Date and (c) were and will be created during the Monthly Stub Period (the "Monthly Stub Period Receivables") for the month in which this Purchase Date occurs (all such Receivables being sold hereinafter called "Receivables");

(ii) all Recoveries allocable to such Receivables;

(iii) all monies due or to become due and all amounts received or receivable

with respect to such Receivables; and

(iv) the proceeds (including "proceeds" as defined in the UCC) thereof.

We have set forth on the attached Settlement Statement the activity for the Monthly Period and calculation of the Payment Amount for the Receivables purchased on the date hereof, including the estimated purchase price for the Monthly Stub Period Receivables.

Please acknowledge your acceptance and approval hereof by executing the Settlement Statement attached hereto.

AMERICAN EXPRESS BANK, FSB

By: ______________________________
Name:
Title:

Purchase Date: [_____] [__], [_____]

Monthly Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]
Monthly Stub Period: from [ ] [ ], [ ] to and including [ ] [ ], [ ]

SETTLEMENT STATEMENT FOR EACH PURCHASE DATE

BALANCES OF RECEIVABLES

Item		
1	Balance owned by American Express Bank, FSB at beginning of Monthly Period, less reserve for losses	$ __________
2	Aggregate Face Amount of New Receivables created during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments that occurred during the Monthly Period	$ __________
3	Subtotal	$ __________
	Deduct:	
4	Payments by Cardmembers during the Monthly Period	$ __________
5	Write-offs of Uncollectible Receivables during the Monthly Period	$ __________
6	Balance owned by Credco at end of Monthly Period	$ __________

DETERMINATION OF PAYMENT AMOUNT

Item		
7	________ per cent of Item 1* (purchase price of existing Receivables less reserve for losses) and ________ per cent of Item 2 (purchase price of New Receivables during the Monthly Period, net of downward adjustments as a result of Fraud and Relationship Adjustments)	$ ________
	Deduct:	
8	Recoveries	$ ________
9	Item 4 (Payments by Cardmembers)	$ ________
10	Payment due to (from) American Express Bank, FSB	$ ________
11	Estimated payment due to (from) American Express Centurion Bank with respect to Monthly Stub Period Receivables being sold on this Purchase Date**	$ ________
12	Net payment due to (from) American Express Bank, FSB	$ ________

* Discount rate applicable to purchase of existing receivables net of reserve for losses to be agreed to by parties at fair market value of such receivables.

** Estimated payment with respect to Monthly Stub Period Receivables shall be determined in a reasonable manner as agreed from time to time by Buyer and Seller.

Accepted and Approved on __________________, 200__:

AMERICAN EXPRESS CREDIT CORPORATION

By: ______________________________
Name:
Title:

EXHIBIT 12.1
AMERICAN EXPRESS CREDIT CORPORATION
COMPUTATION IN SUPPORT OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in millions)

	Nine Months Ended September 30,	Years Ended December 31,			
	2008	2007	2006	2005	2004
Earnings:					
Net income	$ 596	$ 720	$ 622	$ 415	$ 234
Income tax provision	69	57	95	50	75
Interest expense	1,276	2,046	1,614	1,141	863
Total earnings (a)	$ 1,941	$ 2,823	$ 2,331	$ 1,606	$ 1,172
Fixed charges - Interest expense (b)	$ 1,276	$ 2,046	$ 1,614	$ 1,141	$ 863
Ratio of earnings to fixed charges (a/b)	1.52	1.38	1.44	1.41	1.36

Interest expense does not include interest on liabilities recorded under Financial Accounting Standards Board (FASB) Financial Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109" (FIN 48). Credco's policy is to classify such interest in income tax provision in the Consolidated Statements of Income.

EXHIBIT 12.2
AMERICAN EXPRESS COMPANY
COMPUTATION IN SUPPORT OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in millions)

	Nine Months Ended September 30,	Years Ended December 31,			
	2008	2007	2006	2005	2004
Earnings:					
Pretax income from continuing operations	$ 3,313	$ 5,694	$ 5,152	$ 3,979	$ 3, 610
Interest expense	2,691	4,370	3,132	2,324	1,830
Other adjustments	111	143	139	150	151
Total earnings (a)	$ 6,115	$ 10,207	$ 8,423	$ 6,453	$ 5,591
Fixed charges:					
Interest expense	$ 2,691	$ 4,370	$ 3,132	$ 2,324	$ 1,830
Other adjustments	85	106	106	151	145
Total fixed charges (b)	$ 2,776	$ 4,476	$ 3,238	$ 2,475	$ 1,975
Ratio of earnings to fixed charges (a/b)	2.20	2.28	2.60	2.61	2.83

Included in interest expense in the above computation is interest expense related to the cardmember lending activities, international banking operations, and charge card and other activities in the Consolidated Statements of Income. Interest expense does not include interest on liabilities recorded under Financial Accounting Standards Board (FASB) Financial Interpretation No. 48, “Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109.” American Express’ policy is to classify such interest in income tax provision in the Consolidated Statements of Income.

For purposes of the “earnings” computation, “other adjustments” include adding the amortization of capitalized interest, the net loss of affiliates accounted for under the equity method whose debt is not guaranteed by the Company, the minority interest in the earnings of majority-owned subsidiaries with fixed charges, and the interest component of rental expense and subtracting undistributed net income of affiliates accounted for under the equity method.

For purposes of the “fixed charges” computation, “other adjustments” include capitalized interest costs and the interest component of rental expense.

EXHIBIT 31.1
CERTIFICATION

I, Christopher S. Forno, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Express Credit Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	November 4, 2008	/s/ Christopher S. Forno
		Christopher S. Forno President and Chief Executive Officer

EXHIBIT 31.2
CERTIFICATION

I, David L. Yowan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Express Credit Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	November 4, 2008	/s/ David L. Yowan
		David L. Yowan Chief Financial Officer

EXHIBIT 32.1
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-Q of American Express Credit Corporation (the “Company”) for the quarterly period ended September 30, 2008, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Christopher S. Forno, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher S. Forno

Name: Christopher S. Forno
Title: Chief Executive Officer
Date: November 4, 2008

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is not being “filed” as part of the Form 10-Q or as a separate disclosure document for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act except to the extent that this Exhibit 32.1 is expressly and specifically incorporated by reference in any such filing.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-Q of American Express Credit Corporation (the "Company") for the quarterly period ended September 30, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), David L. Yowan, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David L. Yowan

Name: David L. Yowan
Title: Chief Financial Officer
Date: November 4, 2008

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is not being "filed" as part of the Form 10-Q or as a separate disclosure document for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act except to the extent that this Exhibit 32.2 is expressly and specifically incorporated by reference in any such filing.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.