

**AMERICAN EXPRESS COMPANY
COMPENSATION AND BENEFITS COMMITTEE CHARTER
(as amended and restated as of April 27, 2005)**

Purpose

The Committee is responsible for the oversight of the salary and incentive compensation of the executive officers and key employees of the Company and its subsidiaries. The Committee shall also have the authority of the Board of Directors with respect to the Company's employee pension and welfare benefit plans* worldwide, except that the Committee shall have the authority to terminate plans only as authorized by the Board.

The Committee is also responsible for producing the Compensation Committee report to be included in the Company's proxy statement for the annual meeting of shareholders.

Organization

The Committee shall be composed of at least three directors who shall be appointed by the Board and who shall meet the independence requirements of the New York Stock Exchange listings rules and other applicable laws.**

The Committee shall have the sole authority to engage and terminate outside consultants to assist in determining appropriate compensation levels for the CEO and other executive officers, and to set fees and retention arrangements for such consultants.

The Committee shall have full access to any relevant records of the Company and may request any employee of the Company or other person to meet with the Committee or its consultants.

The Committee shall have the authority to delegate all or a portion of the authority granted to it by the Board to one or more of the Committee members, senior executives or committees, subject to applicable plans, laws and regulations.

The Committee shall conduct an annual performance evaluation of the Committee and shall review its charter annually and recommend any proposed changes to the Board.

* As such types of plans are defined in the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA").

** *E.g.*, the "outside director" definition under Section 162(m) of the U.S. Internal Revenue Code of 1986, as amended, and the "non-employee director" definition under Rule 16b-3 under the U.S. Securities Exchange Act of 1934, as amended.

Responsibilities

In carrying out its responsibilities, the Committee:

- Reviews and approves the annual goals and objectives relevant to compensation of the CEO, including the balance of the components of total compensation.
- Evaluates the performance of the CEO in light of the agreed upon goals and objectives and sets the compensation level of the CEO based on such evaluation.
- Establishes and approves the salaries, annual incentive awards and long-term incentives of the CEO, executive officers and selected senior executives.
- Evaluates and approves severance arrangements and employment contracts for executive officers and selected senior executives.
- Approves and administers the Company's cash and equity based incentive plans for senior executives unless reserved by the Board through plan provisions or applicable rules and regulations.
- Establishes and periodically reviews company policies relating to senior management perquisites and other non-cash benefits.
- Periodically reviews the operation of the Company's overall compensation program for key employees and evaluates its effectiveness in promoting shareholder value and company objectives.
- Appoints and establishes the employee membership for the Employee Benefits Administration Committee and the Benefits Plans Investment Committee which together serve as the named fiduciaries of the Company's employee benefit plans subject to ERISA, and of other committees as needed.
- Develops criteria for evaluating the performance of the Committee and conducts an annual evaluation.