AMERICAN EXPRESS CO
Form 11-K
June 29, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

x **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2014

or

¨ **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission file number **1-7657**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:
AMERICAN EXPRESS COMPANY

200 Vesey Street

New York, New York 10285

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Financial Statements and Supplemental Schedule

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* Other supplemental schedules required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended, have been omitted because they are not applicable or not required.

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Report of Independent Registered Public Accounting Firm

To the Administrator of the

American Express Retirement Savings Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the American Express Retirement Savings Plan (the Plan) at December 31, 2014 and 2013, and the changes in net assets available for benefits for the year ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The supplemental schedule of assets (held at end of year) as of December 31, 2014 has been subjected to audit procedures performed in conjunction with the audit of the Plan s financial statements. The supplemental schedule is the responsibility of the Plan s management. Our audit procedures included determining whether the supplemental schedule reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule. In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the schedule of assets (held at end of year) is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ PricewaterhouseCoopers LLP

Minneapolis, Minnesota

June 26, 2015

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Benefits

as of December 31, 2014 and 2013

(Thousands)		**2014**		**2013**
Assets				
Investments, at fair value:				
Money market funds	$	47,081	$	47,518
Common stocks		2,134,446		2,189,134
Fixed income securities				662
Common/collective trusts		771,819		708,774
Mutual funds		1,115,420		1,090,952
Stable Value Fund		600,435		653,115
Total investments, at fair value		4,669,201		4,690,155
Due from brokers		6,440		1,720
Cash (non-interest bearing)		902		5,847
Receivables:				
Notes receivable from participants		85,599		102,157
Investment income accrued		1,236		1,238
Employer contributions:				
Profit sharing		56,278		58,778
Other than profit sharing		25,092		27,748
Total Assets		4,844,748		4,887,643
Liabilities				
Accrued expenses		2,910		2,931
Due to brokers		18,764		41,459
Total Liabilities		21,674		44,390
Net assets reflecting investments at fair value		4,823,074		4,843,253
Adjustment from fair value to contract value for fully benefit-responsive investment contracts		(4,510)		(3,898)
Net assets available for benefits	$	4,818,564	$	4,839,355

See accompanying notes to the financial statements.

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits

for the Year Ended December 31, 2014

(Thousands)		**2014**
Contributions		
Employer		
Profit sharing	$	56,305
Other than profit sharing		121,199
Employee		153,495
Rollovers		11,228
Total contributions		342,227
Investment income		
Net appreciation of investments		161,093
Interest and dividends		75,914
Other income		790
Total investment income		237,797
Interest on notes receivable from participants		3,690
Total additions to net assets		583,714
Withdrawal payments		(592,800)
Administrative expenses		(11,705)
Total deductions to net assets		(604,505)
Net decrease in net assets available for benefits		(20,791)
Net assets available for benefits at beginning of year		4,839,355
Net assets available for benefits at end of year	$	4,818,564

See accompanying notes to the financial statements.

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Notes to Financial Statements

1. Description of the Plan

General

The American Express Retirement Savings Plan (the Plan), which became effective June 11, 1973, is a defined contribution pension plan. Under the terms of the Plan, regular full-time and certain part-time employees of American Express Company and its participating subsidiaries (the Company) can make elective contributions to the Plan beginning as soon as practicable after their date of hire and are eligible to receive Company contributions, if any, upon completion of six months of service.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The following is not a comprehensive description of the Plan, and therefore does not include all situations and limitations covered by the Plan. The Plan Document should be referred to for more complete information. In the event of a conflict between the following description and the Plan Document, the Plan Document shall control.

Administration

Wells Fargo Bank, N.A. is the Trustee and Recordkeeper for the Plan. The Plan is administered by the Company s Employee Benefits Administration Committee (EBAC) and the Company s Retirement Savings Plan Investment Committee (RSPIC). The Plan Document requires that the American Express Company Stock Fund be offered as an investment option, subject to compliance with ERISA. RSPIC has the power to select the other investment options available under the Plan and the manner in which these investment options are invested. Subject to Plan limits, RSPIC also has the power to appoint investment managers to make investment decisions. Under the terms of the Plan Document, the members of EBAC and RSPIC are appointed by the Company s Vice President, Global Benefits.

Compensation

The participant compensation (commonly referred to as Total Pay) that is used in the calculation of Plan contributions generally includes an employee s base pay plus overtime, shift differentials, and most commissions and incentives. For participants above certain salary grades, as defined by the Plan, Total Pay does not include any incentive pay which, in the aggregate, is in excess of one times their base salary when calculating Company contributions.

For purposes of the Plan, compensation is limited to a participant s regular cash remuneration up to a maximum of $260,000 and $255,000 in 2014 and 2013, respectively, before tax deductions and certain other withholdings.

Contributions

The Plan currently provides for the following contributions:

Elective Contributions

Each pay period, participants may make Before-Tax Contributions, Roth Contributions, and/or After-Tax Contributions up to 10% of eligible compensation, or a combination thereof, not to exceed 80% of their Total Pay, to the Plan through payroll deductions. Roth Contributions are a special type of after-tax contribution and are subject to most of the same rules as Before-Tax Contributions. The Internal Revenue Code of 1986, as amended (the Code) imposes a limitation that is adjusted annually for cost of living increases on participants pre-tax and Roth contributions to plans which are qualified under Code Section 401(k) and other specified tax favored plans. For both 2014 and 2013, this limit was $17,500 for participants under age 50 and $23,000 for participants age 50 or older. The Plan complied with non-discrimination requirements under the Code during 2014 and 2013 by utilizing the safe harbor design for deferrals and matching contributions in accordance with Sections 401(k)(12) and 401(m)(11) of the Code.

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Company Matching Contributions

The Company matches 100% of a participant s Before-Tax Contributions and/or Roth Contributions up to 5% of Total Pay after a participant s completion of six months of service.

Profit Sharing Contributions

Upon a participant s completion of six months of service, additional Company contributions up to 5% of a participant s Total Pay may be made annually at the Company s discretion which can be based, in part, on the Company s performance. Participants must be employed on the last working day of the Plan year (or be disabled under the terms of the Plan) to be eligible for any Profit Sharing Contributions made for that Plan year. Profit Sharing Contributions to eligible participants are made regardless of whether the eligible participant contributes to the Plan. Profit Sharing Contributions comprised 3.00% of participants Total Pay in 2014. In 2013, Profit Sharing Contributions were equal to 3.00% of Total Pay for employees other than eligible Global Business Travel participants and 1.75% of Total Pay for eligible Global Business Travel participants. As of June 30, 2014, the Company completed the transaction to create a joint venture for its Global Business Travel division with an unaffiliated party. As a result, the Company no longer employs any Global Business Travel plan participants, and no Retirement Savings Plan (RSP) Profit Sharing Contributions were made to these participants for 2014.

Qualified Non-Elective Contributions

The Company may make Qualified Non-Elective Contributions (QNEC). A QNEC is a discretionary, fully vested contribution. The Company may designate all or part of a Company profit sharing contribution as a QNEC. Alternatively, the Company may, in its sole discretion, make an additional contribution designated as a QNEC. Any QNECs are fully vested when made and distributable only under circumstances that permit distributions of Before-Tax Contributions or Roth Contributions (excluding hardship withdrawals). QNECs may be allocated as a uniform percentage of eligible compensation for designated employees and may be restricted to only such employees employed on the last day of the Plan year. Alternatively, the Company may direct that QNECs be allocated among specifically designated non-highly compensated employees in varying percentages of compensation as permitted by law.

Conversion Contributions

For eligible employees on the Company s United States payroll or on unpaid leave of absence on July 1, 2007 and who generally commenced service prior to April 1, 2007, the Company makes Conversion Contributions equal to a percentage of compensation. The amount of the participant s Conversion Contributions is based on his/her projected attained age plus completed years of service with the Company as of December 31, 2008 and varies depending on the division of employment. Conversion Contributions range from 0-8% of Total Pay.

Disability Contributions

Certain qualifying participants who become disabled, as defined by the Plan Document, are eligible to receive contributions similar to Company Conversion, Profit Sharing and/or Matching Contributions.

Transfer of Account Balances

A participant s account balance may be transferred among the Plan s investment options upon receipt of instructions from the participant. Account balances may be allocated among the Plan s investment options on a daily basis.

Participant Rollovers

A rollover contribution is a transfer to the Plan of a qualified distribution in accordance with the provisions of the Plan. Rollovers are accepted into the Plan, but are not subject to Company contributions. The Plan also allows in-Plan Roth conversion rollovers.

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Vesting

Participants are immediately vested in their elective Before-Tax, Roth and After-Tax Contributions and rollovers, if any, as well as the investment earnings on the foregoing. Other contributions become vested as set forth below:

Company Matching Contributions

Company Matching Contributions and investment earnings thereon are immediately 100% vested.

Profit Sharing Contributions

Currently, Profit Sharing Contributions and investment earnings thereon are 100% vested after the earlier of three years of service or, if still employed by the Company or an affiliate, at or after attainment of age 65, disability or death. Profit Sharing Contributions for Global Business Travel participants, whose employment was terminated as a result of the divestiture of the Global Business Travel division and who became employees of the related joint venture, were fully vested as of June 30, 2014.

Qualified Non-Elective Contributions

QNECs are immediately 100% vested and investment earnings thereon are immediately 100% vested.

Conversion Contributions

Conversion Contributions and investment earnings thereon are 100% vested after the earlier of three years of service or, if still employed by the Company or an affiliate, at or after attainment of age 65, disability or death.

Disability Contributions

Disability Contributions are always 100% vested as soon as they are deposited into the Plan.

Forfeitures

Forfeitures of terminated participants non-vested accounts, as well as amounts attributable to outstanding checks not cashed within 180 days with respect to which the payee cannot be located, are used to pay Plan expenses or to reduce future Company contributions. Amounts attributable to uncashed checks may, in accordance with EBAC s direction, be allocated wholly or partly to a reserve to cover future claims for these benefits or be treated in accordance with the normal rules for forfeitures under the IRS guidance. Forfeited non-vested balances were $1.5 million and $1.3 million as of December 31, 2014 and 2013, respectively. Accrued 2014 Profit Sharing Contributions made to the Plan in March 2015 were reduced by $1.5 million from forfeited account balances.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts and Plan assets will be distributed in accordance with the Plan Document.

Notes Receivable from Participants

Notes receivable from participants (loans) are carried at their unpaid principal balance plus any accrued but unpaid interest. Participants are allowed to apply for a loan from the Plan for a minimum amount of $500 up to the lesser of $50,000 or 50% of their vested balance, subject to certain restrictions set forth in the Plan and the Code. General purpose loans are limited to terms of 59 months. Loans to purchase a principal residence have a maximum term of 359 months. Loan repayment amounts, including principal and interest, are deducted each pay period and allocated to participants investment accounts in accordance with the election in effect for new contributions at the time of repayment. Terminated participants who have an outstanding loan may default and not repay the loan, subject to income tax regulations, or make arrangements with the Recordkeeper to pay the loan off in full, or make installment payments.

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Notes to Financial Statements

Loans are collateralized by the participant s remaining vested account balance and the interest rate is fixed for the life of the loan. Effective September 1, 2012, the interest rate determination is based on the prime rate (as reported in the Wall Street Journal on the last business day of the month prior to the month in which the loan is issued) plus one percentage point. In the event of a loan default, EBAC may direct the Trustee to treat the outstanding loan balance as an early withdrawal of funds from the Plan, thereby subjecting the participant to income tax plus any penalties imposed by the Code based on the loan balance. Loans outstanding to participants at December 31, 2014, carried interest rates varying from 3.25% to 9.50% and will mature at various dates through October 2044.

Tax Deferrals

As long as the Plan remains qualified and the related Trust (the Trust) remains tax exempt, amounts invested in the Plan through Before-Tax Contributions and Company contributions and rollovers, as well as the investment earnings on such amounts, are not subject to federal income tax until distributed to the participant. After-Tax Contributions are taxed when contributed, with earnings taxed upon distribution. Roth Contributions are taxed when contributed, and earnings on Roth Contributions and rolled-in Roth amounts qualify for tax-free distribution if a participant (i) reaches age 59-1/2, dies or becomes disabled (as defined by federal law) and (ii) has a Roth Contribution account with the Plan (or another plan from which a direct rollover of Roth contributions is received) for at least five taxable years. If those conditions are not met, earnings on Roth Contributions are taxed when distributed.

Distributions and Withdrawals

Upon termination of employment due to disability, death or retirement at or after attainment of the Plan s normal retirement age (65), participants or their beneficiaries are fully vested and eligible to receive a distribution of the full value of their accounts. If employment ends for other reasons, participants are eligible to receive a distribution of their vested account balance. When employment ends, participants (or their beneficiaries) may elect to receive their vested balance as a lump sum cash amount, American Express Company common shares, if applicable, shares of any investment available through the Self-Directed Brokerage Account (SDA), if applicable, or a combination of cash and shares. If the account balance is greater than $1,000, a participant may elect to defer distribution until April 1st of the year following the year in which the participant attains age 70-1/2. If the account balance is $1,000 or less, a distribution will be made in a lump sum following the end of employment. Participants may request a withdrawal of all or a portion of their vested account balance subject to limitations under the terms of the Plan and certain tax penalties imposed by the Code. Distributions and withdrawals are recorded when paid. Distributions may be rolled over to a qualified Individual Retirement Account (IRA) or other qualified employer retirement plan, if that plan allows rollovers.

As of June 30, 2014, the Company completed the transaction to create a joint venture for its Global Business Travel division, with an unaffiliated party. After the close of the transaction, affected participants had the option to rollover their account balances to a new 401(k) plan or exercise other distribution/rollover options. However, they were not required to do so, as long as their account balances exceeded the Plan s $1,000 cash-out threshold. Participants with loans were given a one-time opportunity to rollover their account balances to their new 401(k) plan in order to continue their loan payments without interruption. Approximately $107 million was distributed from the Plan in connection with the Global Business Travel joint venture and is included within withdrawal payments on the Statement of Changes in Net Assets Available for Benefits.

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Expenses

The Company, in its discretion, may pay certain administrative expenses, with any expenses not paid by the Company being charged to the Plan. Expenses related to separately managed investment funds, such as investment management fees, brokerage commissions, stock transfer, or other taxes and charges incurred in the purchase or sale of investments, are generally paid out of the applicable investment funds, and are included in the Statement of Changes in Net Assets Available for Benefits. Fees, commissions, and other charges and administrative expenses that are attributable to the investment funds as a whole are generally paid from the Plan. All such expenses that are paid by the Plan are included within the administrative expenses on the Statement of Changes in Net Assets Available for Benefits. The expenses reported on the Statement of Changes in Net Assets Available for Benefits do not include fees and expenses incurred indirectly by the Plan from the underlying mutual funds and collective trusts in which the Plan may invest. Additional expenses are associated with the SDA and participants electing to invest through the SDA are charged directly for these fees through their SDA. The Plan does not pay any fees or expenses associated with the SDA.

An investment fund used by the Plan as a liquidity investment for certain limited purposes pays an insignificant amount to the Plan s recordkeeper for specified administrative services. These payments are made from the investment fund s assets rather than from the Plan directly. The payments are not material.

2. Summary of Significant Accounting Policies

Use of Estimates

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). Accounting estimates are an integral part of the 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 fair value measurements. These accounting estimates reflect the best judgment of management, but actual results could differ.

Investment Valuation and Income Recognition

Investments are reported at fair value. Investments traded on securities exchanges, including common stocks, preferred stocks and corporate debt instruments, are valued at the year-end closing market prices or, in the absence of a closing price, the last reported trade price at the financial statement date. U.S. Government and agency securities, municipal bonds and foreign bonds, are valued at closing bid quotations at the financial statement date or the last available date that the security was traded. When quoted prices of identical investment securities in active markets are not available, the fair values for the Plan s fixed income securities are obtained primarily from pricing services engaged by the Plan s Trustee, and the Plan receives one price for each security.

Purchases and sales of securities are reflected on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on an accrual basis. As required by the Plan, all dividend and interest income is reinvested into the same investment funds in which the dividends and interest income arose with the exception of the American Express Company Stock Fund, which is an Employee Stock Ownership Plan (ESOP). The ESOP holds shares of American Express Company stock on behalf of participants. Dividends are automatically reinvested in the American Express Company Stock Fund, unless participants elect that the dividends paid with respect to their interest in the fund be distributed in cash in the form of withdrawal payments.

The Plan presents in the Statement of Changes in Net Assets Available for Benefits the net appreciation in the fair value of its investments, which consists of the realized gains or losses and the unrealized appreciation or depreciation on those investments.

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Subsequent Events

The Plan has evaluated subsequent events for potential recognition and disclosure through the date the financial statements were issued. The Plan has terminated an investment manager for The Diversified Bond Fund and appointed new investment managers in 2015. There was no suspension of participant transactions as a result of this transition.

Recently Issued Accounting Standards

Accounting Standards Update No. 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) was issued on May 1, 2015. The guidance eliminates the requirement for the Plan to categorize investments using the Net Asset Value practical expedient in the fair value hierarchy table; however, the fair value of these investments must still be disclosed separately. The standard, which is to be retrospectively applied, will be effective for the Plan on October 1, 2017; however, early adoption is permitted. The standard may impact the Plan s disclosures around investments using the Net Asset Value practical expedient, but will not have an impact on its Statements of Net Assets Available for Benefits or Statement of Changes in Net Assets Available for Benefits.

3. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date, based on the Plan s principal or, in the absence of a principal, most advantageous market for the specific asset or liability.

GAAP provides for a three-level hierarchy of inputs to valuation techniques used to measure fair value, defined as follows:

Level 1 Inputs that are quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan can access.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability, including:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in markets that are not active;

Inputs other than quoted prices that are observable for the asset or liability; and

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs that are unobservable and reflect the Plan s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances (e.g., internally derived assumptions surrounding the timing and amount of expected cash flows).

The Plan monitors the market conditions and evaluates the fair value hierarchy levels at least annually. For any transfers in and out of the levels of the fair value hierarchy, the Plan elects to disclose the fair value measurement at the beginning of the reporting period during which the transfer occurred.

The Plan, in partnership with a third-party, corroborates the prices provided by its Trustee s pricing services to test their reasonableness by comparing their prices to valuations from different pricing sources as well as comparing prices to the sale prices received from sold securities. In instances where price discrepancies are identified between different pricing sources, the Plan would evaluate such discrepancies to ensure that the prices used for its calculation represent the fair value of the underlying investment securities.

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Financial Assets Carried at Fair Value

Financial assets disclosed in the tables below represent two types of assets. Assets held in funds (either mutual funds or common/collective trusts) are disclosed in the table according to the appropriate fund category (the underlying securities of those funds are not disclosed separately). Assets held in separate accounts (which are wholly owned by the Plan) are disclosed according to the appropriate category of the individual securities of those separately managed accounts; these individual securities include common stocks, fixed income securities, mutual funds, and common/collective trusts. Because of this, the classification of financial assets in the table does not correspond to the classification of the investment options available to Plan participants.

The following table summarizes the Plan s financial assets measured at fair value on a recurring basis, categorized by GAAP s valuation hierarchy (as described above), as of December 31, 2014:

Description *(Thousands)*	**Total**	**Level 1**	**Level 2**	**Level 3**
Money market funds	$ 47,081	$ 47,081	$	$
Common stocks	2,134,446	2,134,446		
Common/collective trusts				
Bond funds	169,956		169,956	
Domestic equity funds	601,863		601,863	
Mutual funds				
Fixed income funds	373,084	373,084		
Domestic equity funds	167,085	167,085		
International equity funds	575,251	575,251		
Stable Value Fund				
Common/collective trusts	249,619	141,574	108,045	
Fixed income funds	284,038		284,038	
Pooled separate accounts	66,618		66,618	
Wrap agreements	160			160
Total	$ 4,669,201	$ 3,438,521	$ 1,230,520	$ 160

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AMERICAN EXPRESS RETIREMENT SAVINGS PLAN

Notes to Financial Statements

The following table summarizes the Plan s financial assets measured at fair value on a recurring basis, categorized by GAAP s valuation hierarchy (as described above), as of December 31, 2013:

Description *(Thousands)*	**Total**	**Level 1**	**Level 2**	**Level 3**
Money market funds	$ 47,518	$ 47,518	$	$
Common stocks	2,189,134	2,189,134		
Fixed income securities	662		662	
Common/collective trusts				
Bond funds	163,449		163,449	
Domestic equity funds	545,325		545,325	
Mutual funds				
Fixed income funds	322,077	322,077		
Domestic equity funds	193,855	193,855		
International equity funds	575,020	575,020		
Stable Value Fund				
Common/collective trusts	244,481		244,481	
Fixed income funds	342,589		342,589	
Pooled separate accounts	65,895		65,895	
Wrap agreements	150			150
Total	$ 4,690,155	$ 3,327,604	$ 1,362,401	$ 150

The table below sets forth a summary of changes in the fair value of the Plan s Level 3 financial instruments for the years ended December 31, 2014 and 2013:

(Thousands)	**2014**	**2013**
Balance, beginning of year	$ 150	$ 170
Net realized/unrealized appreciation (depreciation)	10	(20)
Balance, end of year	$ 160	$ 150

Unrealized gains (losses) included in changes in fair value above are reported in the net appreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits. There were no transfers in and/or out of the Plan s Level 3 assets for the years ended December 31, 2014 and 2013.

Valuation Techniques Used in the Fair Value Measurement of Financial Assets Carried at Fair Value

For the financial assets measured at fair value on a recurring basis (categorized in the valuation hierarchy table above), the Plan applies the following valuation techniques:

Money market funds are valued by the net asset value (the NAV), which represents the exit price.

Investments in American Express Company common stock, other stock and active publicly traded equity securities are valued at the official closing price of U.S. public exchanges or, if there is no official closing price that day, at the last reported trade price at the financial statement date. These investments are classified in Level 1 of the fair value hierarchy.