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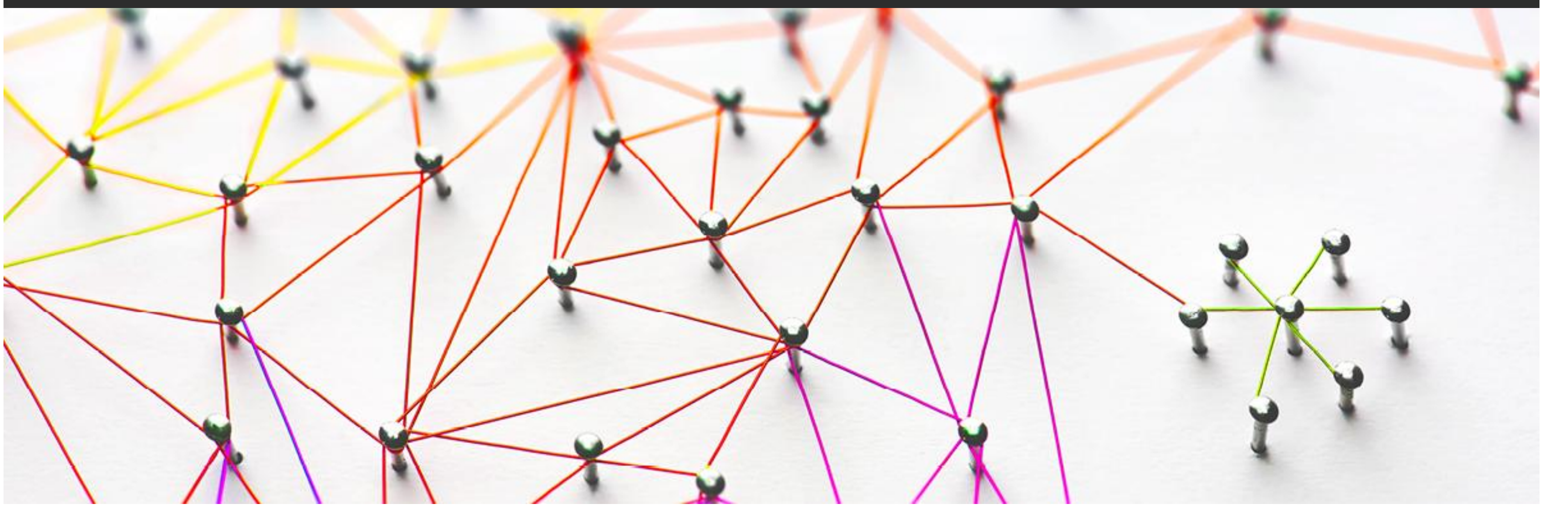

September 2026

FTC Secures $2.1 Million Settlement with Bill Payment Firm Doxo

On Aug. 17, 2026, the Federal Trade Commission announced a settlement requiring online bill payment firm Doxo and two of its co-founders to pay $2.1 million to resolve allegations that the company used misleading search ads and other advertisements to mislead consumers about millions of dollars in so-called "junk fees" that they added to consumers' bills. The settlement also imposes broad injunctive relief governing how Doxo advertises its platform, discloses fees, and enrolls consumers in recurring charges.

The Allegations Against Doxo

In April 2024, the FTC filed a complaint in federal court against Doxo and two of its co-founders: Chief Executive Officer Steve Shivers and Vice President Roger Parks. Doxo operates an online, third-party bill payment platform that allows consumers to pay utilities, car loans, and other bills. The FTC's complaint asserted three principal theories of liability against Doxo and its co-founders:

- **Section 5 of the FTC Act.** According to the FTC, Doxo purchased search-engine ads that appeared when consumers searched online for their billers. Those ads allegedly used headlines featuring the biller's name — but not Doxo's — to make consumers believe Doxo was the biller's official payment channel. Doxo's landing pages also prominently displayed the biller's company name and, in some instances, its logo, despite Doxo generally having no formal relationship with the biller.

Once consumers entered their billing details, Doxo allegedly tacked on an extra "delivery fee" that the company disclosed only at the final payment step — in greyed-out fine print. Doxo also allegedly failed to clearly and conspicuously disclose that it waived delivery fees only for certain payment methods.

The FTC claimed that Doxo's conduct constituted deceptive acts or practices under Section 5 of the FTC Act.

- **Restore Online Shoppers' Confidence Act.** The FTC alleged that Doxo's platform had a negative option feature that enrolled consumers in a recurring subscription program without clearly disclosing the subscription price. Per the FTC, Doxo's website had an automatic check box that signed consumers up for a subscription when they clicked to read the company's terms of service. The FTC asserted that Doxo violated the Restore Online Shoppers' Confidence Act by failing to clearly disclose subscription terms and failing to obtain consumers' consent for subscription charges.
- **The Gramm-Leach-Bliley Act.** The FTC also alleged that Doxo violated the Gramm-Leach-Bliley Act by using false, fictious, or fraudulent statements to obtain certain consumer financial information. The settlement correspondingly bars Doxo and its co-founders from engaging in such conduct in the future.

The FTC's Settlement With Doxo

Under the proposed stipulated order, Doxo will pay a $2.1 million monetary judgment. The settlement also imposes notable injunctive relief.

Doxo, Shivers, and Parks are prohibited from misrepresenting affiliation with billers when promoting or offering bill payment services — such as by using a biller's website address or branded name or logo in search engine advertisements.

The settlement prohibits the defendants from misrepresenting the amount consumers will pay, the nature or purpose of Doxo's fees or charges, and the total cost or fees to use the platform.

Prior to obtaining consumers' billing information, Doxo will be required to clearly and conspicuously disclose all material terms related to any negative option feature on its website. In particular, Doxo must disclose how much it will charge a consumer (after a trial period or otherwise), note whether the charges will recur, and share each deadline to prevent additional charges. Further, Doxo must obtain a consumer's express informed consent prior to charging them.

The settlement also requires the defendants to provide simple mechanisms that allow consumers to cancel a negative option feature, avoid further or increased charges, and immediately stop any recurring charges. The mechanism must be at least as easy to use, and in the same medium as, the mechanism the consumer used to consent to the negative option feature.

Takeaways for Businesses

As with the FTC's recent enforcement action against Celsius Network, the FTC's settlement with Doxo demonstrates the agency's willingness to pursue individual executives for alleged consumer protection violations and to seek personal monetary judgments and injunctive relief.

The settlement with Doxo highlights the FTC's continued focus on negative option features and so-called "junk fees" or add-on fees, both of which are being scrutinized at the federal and state level. Companies offering online bill payment, subscription, or other recurring-charge services may wish to review their advertising, checkout flow, and cancellation mechanisms to confirm that affiliation, cost, and consent are communicated clearly before the consumer pays.

We have provided ongoing analysis and commentary regarding negative option features and junk-fee-related developments in our prior client alerts and blog posts:

- FTC Seeks Comment on Potential Updates to Negative Option Rule (March 16, 2026)
- Eighth Circuit Vacates FTC's 'Click-to-Cancel' Rule (July 11, 2025)
- FTC Extends 'Click-to-Cancel' Rule Deadline (May 23, 2025)
- FTC Issues FAQs on 'Junk Fees' Rule (May 15, 2025)
- FTC Alleges Fintech Cleo AI Deceived Consumers (March 31, 2025)
- FTC Alleges Fintech Dave, Inc. Deceived Consumers (Nov. 15, 2024)
- FTC Targets Adobe for Hidden Fees and Deceptive Subscriptions (July 9, 2024)
- CFPB Launches Public Inquiry into Rising Mortgage Closing Costs and 'Junk Fees' (June 4, 2024)
- FTC Takes Action Against Doxo, Citing Junk Fees (June 3, 2024)
- California AG Publishes FAQs on California's 'Junk Fee' Law (May 30, 2024)
- Tim Butler Quoted in LA Times Article on California 'Junk Fees' (April 11, 2024)
- CFPB Releases Report Highlighting Junk Fees on Mortgage Servicing (March 23, 2024)
- CFPB Unveils Final Rule Banning 'Excessive' Credit Card Late Fees (March 13, 2024)
- CFPB Issues Proposed Rule to Stop 'Junk Fees' on Bank Accounts (Feb. 1. 2024)
- California Bans Hidden Fees, Effective July 1, 2024 (Oct. 17, 2023)
- FTC Proposed Rule Targeting 'Junk Fees' (Oct. 16, 2023)
- CFPB Issues Advisory Opinion on 'Illegal Junk Fees' By Large Financial Firms (Oct. 12, 2023)

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