

## **The complaint**

Mrs R complains that she was entitled to an incentive voucher from American Express Services Europe Limited (AESEL).

## **What happened**

Mrs R had a credit card from AESEL. This gave “companion vouchers” (CV) which depended on the amount of annual spend on the card. These could be used towards flights provided by a partner airline. At the end of March 2019, she switched cards within AESEL. Mrs R got one CV in April 2019. She then switched back to a card which needed an annual spend of £20,000 to get a CV. In February 2020, her statement said she needed to spend another £4,560 to get a CV. She spent £4,500 on 3 March 2020. On 5 March 2020 she called AESEL to clarify that she was entitled to a CV and was told that she was not – the scheme only allowed for one CV per billing year. Mrs R’s billing year was from 10 March 2019 to 10 March 2020.

Mrs R complained – she said she’d called AESEL previously- in February 2020 and was told that the statements were correct – and she needed to spend enough money to get to an annual spend of £20,000 to get a CV voucher. On that advice, she’d gone ahead and spent £4,500. The service she bought wasn’t refundable. She said she’d been misled into spending money she didn’t need to. She only spent the money to get the CV voucher. She told us that she had to buy a flight for £1,000 because she didn’t get a CV.

AESEL agreed that their statements were misleading. But also, the statements said that only one CV per billing year was allowed. They couldn’t listen to the calls that Mrs R referred to as they’d been deleted. They provided a summary of the call on 5 March 2020 – and this advised Mrs R that she could only have one CV per year. But - they accepted that because of what appeared on the statements, Mrs R was misled. They apologised and paid £75 compensation for distress and inconvenience.

Mrs R didn’t accept that AESEL’s offer was enough and brought her complaint to this service. Our investigator said the eligibility rules of the scheme were that Mrs R was entitled to one CV within a 12-month period. But, AESEL did cause confusion by leading Mrs R to believe she would get a CV if she spent enough money. AESEL had apologised and paid compensation of £75 which she thought was fair.

Mrs R asked that her complaint be reviewed by an ombudsman.

*I reached a provisional decision where I said:*

Where the information I’ve got is incomplete, unclear or contradictory (as some of it is here) I must base my decision on the balance of probabilities. That is – what’s more likely than not to have happened in all of the circumstances here, based on the available evidence.

AESEL’s incentive scheme – for Mrs R’s account – ran for her billing year – from 10 March 2019 to 10 March 2020. On 28 March 2019, she transferred from a “Classic” card (which needed a spend of £20,000 to get a CV) to a “Premium Plus” card (which needed a spend of

£10,000 to get a CV). On 30 March 2020, she spent £10,000 – and she was issued with a CV. On 11 April 2020, she transferred back to a Classic card. The incentive schemes were not affected by the switches between cards – so the anniversary date remained the same.

Mrs R says that she called AESEL ahead of March 2020 and she was told that if she spent £20,000 on her card, she would get a CV. She'd also seen her statements – which said that she'd get a CV if she spent £20,000. Her statement dated 5 February 2020 said *"...by spending £20000 on your Card before your Card anniversary date of 10-03-2020 you will qualify for a reward flight for your companion, to be used when you redeem your Avios for a flight....you have £15439.48 of qualifying spend, so spend just £4560.52 to receive your voucher."*

But – also, the statement said, *"One Companion Voucher per Card membership year"*.

Mrs R spent £4,500 on 3 March 2020, so she reached the annual spend needed to get a CV. She called AESEL on 5 March 2020. AESEL don't have this call but summarised it when Mrs R complained to them in March 2020. I've seen the summary. On the call, Mrs R was advised that she didn't qualify for a CV because only one CV per year was allowed. I've seen the contact notes in AESEL's records, and they also say that.

We don't know for sure what Mrs R was told when she called AESEL before March 2020 – in February 2020. These calls aren't available as AESEL have deleted them in the normal course of business – they delete them after six months. Mrs R says she was told she would get a CV if she spent the money. And – her monthly statements also say so. Throughout the 12-month period between May 2019 and March 2020 – each one says *"...by spending £20000 on your Card before your Card anniversary date of 10-03-2020 you will qualify for a reward flight for your companion..."*.

But, on the other hand, each statement also says, *"One Companion Voucher per Card membership year"* – so, equally, Mrs R could also see that message each month. So, I think it would be reasonable to think that she should have been aware of the rule – especially as she'd received a CV in April 2019. And at that time, she'd made some rationale decisions to switch between AESEL's cards (and back again). She got a CV when she switched from the Classic card to the Premium Plus card, and then switched back again to the Classic card. So, at that time, she would have had the opportunity to look at the benefits and terms of those cards when switching – and understand the rules about CVs.

So, this is a finely balanced decision. I don't think there is enough evidence to uphold Mrs R's complaint. But, it's also the case that AESEL's communications were confusing. So, while I don't uphold this complaint, I do think that AESEL should compensate Mrs R for more than £75 - I think that an additional £175 is right as compensation for what happened here. This is in addition to the £75 already paid.

AESEL accepted my findings. Mrs R made the point that she thought she was entitled to a higher amount of compensation – but accepted my findings.

### **.What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Both AESEL and Mrs R accepted my findings. So - I won't be departing from what I said in my provisional decision for the reasons I gave in it. So - my final decision is that AESEL should do what I've already suggested here.

**My final decision**

I do not uphold this complaint.

American Express Services Europe Limited should pay Mrs R compensation of £175 – this is in addition to the £75 already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 19 April 2021.

Martin Lord  
**Ombudsman**