

## **The complaint**

Mr J complains that American Express Services Europe Limited (AMEX) didn't provide him with a second companion voucher even though it said he would receive one.

## **What happened**

Mr J opened an AMEX account on which he can receive a companion voucher if he spends a certain amount on his card.

Mr J says that he was issued a voucher in July 2022 and had first thought that customers could get one voucher a year and his year would run from March to March. But he was told on phone calls that he could get a second voucher if he kept spending on his card.

He says his wife had planned to get a separate AMEX account and they would have spent the required amount on that to get a second voucher but based on the advice he received his wife didn't get her own account and they continued to spend on Mr J's card. Mr J says he was told on more than one occasion that the second voucher had been issued and because of this he took annual leave.

AMEX issued a final response in March 2023. It said that when Mr J called in February 2023, he should have been told he had met the spend limit for the companion voucher to be issued and that this had been issued in July 2022 instead of being told he was still entitled to receive a voucher.

It said that the terms and conditions say a customer would only get one companion voucher for each year of card membership. AMEX offered Mr J £75 as an apology for the wrong information he received on the calls in February. This offer was then increased to £200.

Mr J wasn't satisfied with AMEX's response and referred his complaint to this service.

Our investigator listened to the calls between Mr J and AMEX that took place in February

2023. She said that Mr J was told several times he would receive a second companion voucher in March 2023 as he had spent over the required amount.

But she also said Mr J had received a companion voucher in July 2022 and that the account terms and conditions say only one companion voucher could be earned each year. She said that when a mistake has been made, we try to put customers back in the position they would have been had the mistake not happened. And while a misrepresentation had occurred, we wouldn't necessarily put Mr J in the position he would have been had the wrong information been true.

Because Mr J wasn't eligible for a second companion voucher within the year, she didn't think that AMEX was required to pay him compensation to reflect that he didn't receive this. She also didn't think that Mr J had mitigated his losses when taking his annual leave as he took this even though the voucher hadn't arrived at that time. She said that AMEX had increased its compensation offer to £200 for the trouble and upset Mr J had been caused and she thought this was reasonable.

Mr J didn't agree the revised offer was reasonable. He said while the terms and conditions were available to him, his decision was based on the advice he was given by the AMEX advisers. He said he took action based on being told he would receive the second companion voucher and has suffered considerable losses as a result.

He said he wouldn't have continued to spend on his AMEX card if he hadn't been told he would receive the second companion voucher. He didn't accept that the proposed £200 compensation was enough for the distress and inconvenience he had been caused and the financial commitments and lost opportunities he had suffered.

### **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.

Mr J said that he first thought he would only receive one companion voucher in any year and his year would run from March to March. This was correct and in line with the account terms and conditions. Mr J received a companion voucher in July 2022 when he had spent enough. However, when Mr J contacted AMEX in February 2023, he was given wrong information about receiving a second companion voucher.

I have the call recordings from 12 and 27 February 2023. On the call on 12 February Mr J asks about the amount he needs to spend to receive a companion voucher and the timeframe. Mr J is told he is entitled to companion voucher as he has spent enough, and he will receive a voucher in March. He is then told that he will receive one companion voucher each year.

On the call on 27 February, Mr J asks if he will be receiving a companion voucher and when it will be issued. He is told the voucher is issued when the customer meets the spend requirements. The adviser confirms that Mr J has earned a companion voucher in the year and says it appears it was earned in the previous month. He is told it can take three weeks to credit the account and that it is on its way to Mr J. The adviser says he will be emailed when the voucher is available.

Having listened to the calls it is clear that Mr J was given wrong advice. While he was correctly told he would only receive one companion voucher in a year and that his year ran from March to March, he was also told that he had earned a voucher in the previous month that would be with him soon. Based on this I can understand why Mr J thought he would be receiving another companion voucher in March 2023.

When a misrepresentation occurs, we do not require the business to take action to reflect what would have happened if the misrepresentation had been true. So, I do not require AMEX to provide Mr J with the second companion voucher for the year of March 2022 to March 2023. Instead, we look to put the customer back in the position they would have been had the correct information been given.

Mr J was told in February 2023 he would receive another voucher. Before this call I find it reasonable to accept that he knew he would only receive the one companion voucher and that he had received this in July 2022 for the year of March 2022 to March 2023. On the call, Mr J was told that he had met the criteria for the new voucher to be issued so he didn't need to spend more on the card at that time. Therefore, on balance, I don't think Mr J would have acted differently in regard to his spending if he had been given the correct information in February 2023.

Mr J has said he took leave because he was told he would be receiving the companion voucher. I note on the call on 27 February he asks about booking a holiday and when his companion voucher will arrive. He is told that he will be contacted when the voucher is available and provided with the timeframe to use this.

While I can understand why Mr J took action expecting the voucher to arrive, he could have avoided this issue had he waited until he had received the voucher or, changed his plans when, on 2 March, he found out he wouldn't be receiving a further voucher.

That said, I do accept that the wrong information Mr J received meant he expected to be able to take a holiday using the voucher only to then realise he had already received his voucher for March 2022 to March 2023. I accept this will have been upsetting and he would have had to change his plans or pay for costs he thought he would not need to pay for. Because of this AMEX should pay Mr J compensation to reflect the upset and inconvenience he has been caused.

While I appreciate that Mr J doesn't think the £200 offered is fair, in this case, I find this reasonable. I recognise the upset Mr J was caused and that he was told he would be receiving another companion voucher. But I also accept that the terms of the account set out that a customer will only receive one voucher in a year and Mr J was told this on the call on 12 February.

### **My final decision**

My final decision is that the offer made by American Express Services Europe Limited to pay Mr J £200 compensation for the distress and inconvenience caused by providing him with incorrect information about his companion vouchers is reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 19 October 2023.

Jane Archer  
**Ombudsman**