

## The complaint

Mr J complains that J.P. Morgan Europe Limited trading as Chase did not refund all of the transactions he lost to a scam.

## What happened

Mr J found a job opportunity on a social media platform and contacted the company. He accepted a remote position for the travel company and was told he had to complete a certain amount of tasks to receive his commission. Some of these tasks required him to pay cryptocurrency into the platform, so he opened a crypto wallet to facilitate this. He made the following card payments from his Chase account to his crypto wallet:

- 30/5/23 - £45
- 30/5/23 - £72
- 30/5/23 - £173
- 30/5/23 - £15
- 30/5/23 - £460
- 30/5/23 - £840
- 30/5/23 - £1,800
- 30/5/23 - £450

When Mr J was asked to credit more and more money to the platform and had still not received his commission, he realised he had been the victim of a scam. He contacted Chase on 31 May 2023 to raise a scam claim and there was a delay in them fully reviewing his complaint. On 3 August, Chase confirmed they would refund the final two payments of £1,800 and £450, as they felt they could have carried out further checks on these. But they felt Mr J should share liability for the loss so reduced the redress by 50%. They credited his account with £1,130.

Mr J referred the complaint to our service and our Investigator looked into it. They felt that Chase had come to the correct outcome when it agreed to reimburse Mr J with the final two payments and when it reduced the redress by 50%. However, they also felt Chase should add 8% simple interest from the date of the transactions to the date of settlement, and they felt Chase should pay Mr J £50 compensation for the delays in the claim investigation.

Chase did not respond to the view and Mr J did not agree with the findings. He felt his normal payments were generally low, so thought the scam payments should have flagged as suspicious. As an informal agreement could not be reached, the complaint has been passed to me for a final decision.

## 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.

I'm satisfied Mr J has been the victim of a job scam, and I'm sorry he's had to experience this. As the payments were made via debit card, they are not covered under the Contingent

Reimbursement Model (“CRM”) Code, which gives additional protection to scam victims. Chase has already reimbursed 50% of final two payments, so I’ve considered if this is fair redress in the circumstances.

I’ve therefore considered the earlier payments and if Chase should reasonably have included these in the redress. While I have taken Mr J’s comments on board that he did not usually make large transactions, I just don’t agree that the earlier payments were unusual enough to have warranted intervention on the circumstances.

I also agree that Mr J should reasonably bear some responsibility for the losses and that a 50% reduction in the redress was fair. Mr J was offered a fully remote job with seemingly no application process, and was told he needed to pay cryptocurrency in order to receive commission. On balance, I think Mr J could reasonably have realised something was not right, as it is unusual to receive a job with no application process and even more unusual to expect to pay money into that job before receiving any wages or commission. I therefore agree with the redress that Chase has already paid to Mr J.

As the payments were carried out by debit card, a chargeback is a relevant consideration in this case as it can be used to reclaim funds from merchants if there is a dispute. The chargeback scheme is a voluntary process and there is no guarantee of a refund. However, I don’t think Chase made an error when it did not raise a chargeback claim in this case. This is because the merchant provided the service Mr J paid it for by providing the cryptocurrency he requested. The loss came when Mr J then forwarded the cryptocurrency to the scammer.

Chase has accepted that there was a delay in them providing Mr J with an answer to his scam claim, and I agree that compensation of £50 fairly reflects the distress and inconvenience caused, so I recommend that Chase pay Mr J this. In addition, If Chase has not already done so, it should add 8% simple interest to the reimbursement of the funds lost to the scam from the date of the transactions to the date of settlement.

### **My final decision**

I uphold Mr J’s complaint in part and recommend J.P. Morgan Europe Limited trading as Chase pay the redress set out above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr J to accept or reject my decision before 16 July 2024.

Rebecca Norris  
**Ombudsman**