

The complaint

Mr P complains J.P. Morgan Europe Limited, trading as Chase, ("Chase") refuses to refund him for transactions on his account he says he didn't make.

What happened

Mr P says he was abroad when he noticed two unauthorised transactions on his account. The first was on 22 August 2023 for €500 (£427.69) and the second on 26 August 2023 for €200 (£171.76). He reported these to Chase and was expecting an instant refund while Chase investigated his claim. Mr P is unhappy he wasn't afforded the instant refund and he says this caused him to have to use a payday loan while abroad.

Mr P disputes authorising the transactions and has provided evidence to support his claim that he was in another location around the time the second transaction took place. He would like Chase to refund the payments and pay compensation for the trouble and inconvenience caused.

Chase says it believes Mr P made these transactions himself. Chase have highlighted inconsistencies in Mr P's version of events to suggest things didn't happen as Mr P says it did. It also provided evidence that Mr P had logged into his account app several times before, during and after the disputed transactions and it questions why Mr P didn't report the disputed transactions sooner than he did.

Our investigator considered everything both parties provided but decided not to uphold this complaint. Mr P disagreed so the complaint has been passed to me for a 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.

Mr P says he visited an ATM on 22 August 2023 while on holiday to withdraw some cash. First, he told Chase the card was returned to him. But later, he said the ATM retained the card and no funds were dispensed. Mr P explained this discrepancy saying he was stressed and pre-occupied because of his cancelled flight home, so he said the wrong thing initially. Mr P now maintains that the ATM kept his card and didn't dispense any cash. Mr P also says he waited a few minutes and then went inside the bank the ATM was attached to for assistance. He was advised at this point to contact his bank. Mr P says he called Chase on 24 August 2023 to report this incident. However, Chase has provided the call log history and there is no evidence Mr P called them on 24 August 2023. Mr P also says he tried to cancel the card on his app, but he encountered an error.

I've thought carefully about Mr P's account of the events and what I would've expected an ordinary person to do in the situation described. I do think cancelled flights would've caused stress and anxiety for Mr P and he would've had to deal with unexpected hotel and flight bookings. But I also think having fraudulent transactions on his account and not being in possession of his bank card would've equally been a priority for him. Mr P's card being

retained by the ATM is a vital part of his complaint and as the disputed transactions are both ATM withdrawals the whereabouts of his card is of paramount concern. So, I am surprised Mr P has been inconsistent about this essential element of his complaint.

I also think it is unusual that Mr P didn't complain about the ATM retaining his card straight away. The evidence supplied shows he didn't contact Chase until 27 August 2023. Had the machine genuinely kept Mr P's card I think it's likely that he would've persisted in contacting Chase to ensure his card was blocked as soon as possible – especially since he was in another country with no foreseeable way to get his card back. The inconsistencies in Mr P's version of events and his actions surrounding this incident give weight to the likelihood of these transactions being authorised.

The transactions in dispute were carried out using Mr P's chip and PIN. This means Mr P's physical card and PIN were needed, but I've not been provided any evidence to explain how someone else would've had knowledge of Mr P's PIN. He told us this was not known to anyone else, and it wasn't written down anywhere. Chase have provided evidence to show that there were no incorrect PIN attempts prior to the disputed transactions. I've seen a suggestion that they may have been a device fitted on this ATM machine, but I've not been provided any further details or supporting evidence. Mr P has not told us anything else to explain how someone else would've seen or known his PIN, so I'm not persuaded Mr P's PIN had been compromised.

I've also considered the nature and frequency of the transactions in dispute. The two transactions were days apart and were for less than the ATM withdrawal limit for a day. Usually, we would expect a fraudster to make several transactions in quick succession to extract as much money as possible before access to the account is blocked. There were no balance checks carried out prior to the transactions to ensure the transaction wouldn't get declined, suggesting the person who carried out the transactions was already aware of the available funds. In fact, Chase has supplied evidence to show that Mr P had logged into his account app before, during and after the transactions in dispute. These elements all suggest that these transactions were genuine and not carried out by a fraudster.

I've thought about the evidence supplied suggesting Mr P was in another location at the time the second transaction took place. But I'm not convinced this means he didn't authorise the transactions in the face of all the stronger evidence outlined above. I've also looked at the police report supplied but I am not persuaded by this either. The report does not specify what incident it relates to, nor is it dated. So, I am not satisfied this relates to the same issues as this complaint.

Overall, considering all the evidence supplied together I think it's more likely than not that these transactions were authorised by Mr P. Therefore, I am not upholding this complaint.

I've also considered Mr P's complaint about Chase not refunding him the disputed amount immediately while it investigated his claim. Mr P has referenced the "Zero Liability Protection Promise". However, this policy states that a cardholder will not be liable for any *unauthorised transactions* carried out using their card. It also states that any additional terms or protection would be down to the issuing bank. Chase would have refunded Mr P the money for these transactions if it had agreed that they were unauthorised. And while some banks will give an immediate refund while the matter is being investigated, they are not required to. So, I don't think Chase has done anything wrong by not giving Mr P an instant refund on these transactions.

My final decision

I am not upholding the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 20 May 2024.

Sienna Mahboobani
Ombudsman