

The complaint

Mr A complains that J.P. Morgan Europe Limited trading as Chase (Chase) is refusing to refund him the amount he lost as the result of what he considers a scam.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr A made multiple payments via his debit card and by transfer to a cryptocurrency exchange called Uphold, to an account in Mr A's name that were then sent to a gambling website's Crypto wallet.

While Mr A accepts he made the payments he believes the gambling website to be a scam, and as the payments Mr A made were not within keeping with how he usually operated his account, that Chase should have stepped in and protected him.

In total Mr A made 2 debit card payments and 86 transfers for a total value of £10,472.58 that he is now disputing. Mr A also received a substantial amount of over £7,000.

Our Investigator considered Mr A's complaint and didn't think it should be upheld. Mr A disagreed, so this complaint has been passed to me to decide.

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.

Recovering the payments Mr A made

Mr A made the disputed payments by debit card and transfer. Each payment Mr A made was to an account in his own name at Uphold where the currency was converted into cryptocurrency before being sent to a gambling website. As Mr A received what he paid for from Uphold, Chase would not have any recovery options available to it.

Not every complaint referred to us and categorised as an investment trading scam is in fact a scam. I have thought about whether Mr A experienced a scam or not.

Mr A received a substantial sum back after making the payments he disputed. It is relatively uncommon for scammers to return such large amounts given they are most likely attempting to gain as much as they can from the person they are scamming.

I have also looked at the gambling website Mr A has told us he was making payments to. The website is still running and appears to be legitimate. With the information available I don't have enough to say Mr A has fallen victim to a scam.

Banks and other Payment Services Providers (PSPs) do have a duty to protect against the

risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

Mr A believes Chase should have stepped in to prevent his loss. I can see Mr A's card payments were stopped by Chase and a request was made for Mr A to contact it. But Mr A was unable to call and started to send funds by transfer instead.

As I've said above, I don't think Mr A fell victim to a scam at all so Chase didn't have anything to protect him from. Even if Chase had stepped in, which I don't think it had to, and managed to speak with Mr A it's likely Mr A would have been honest when questioned about the payments, which would have revealed Mr A was making payments to a legitimate business of his own freewill. I would not have expected this to have caused Chase any concerns as Mr A had not asked Chase to apply any gambling restrictions to his account.

With the above in mind, I don't think Chase is responsible for Mr A's loss.

Chase has confirmed that it does have gambling controls that are available to Mr A if he would like to activate them moving forward.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 12 July 2024.

Terry Woodham
Ombudsman