

The complaint

Mr F complains that J.P. Morgan Europe Limited trading as Chase should have done more to assist him when he was the victim of a scam.

What happened

Mr F has explained that he read about an investment online which would guarantee high returns each month. He submitted a form with his personal details and was contacted by phone to get signed up and enrolled onto the trading platform. On 16 June 2023, he deposited £250 as a starting amount into his new online foreign exchange / cryptocurrency trading account (this amount was paid from another of Mr F's accounts and is not part of this complaint). Mr F then set up a Chase account and made three payments from this account to the digital wallet he had set up. The payments were then made from his digital wallet to the online trading platform.

| Payment | Date | Amount | Type |
|---------|-------------------|---------|----------------|
| 1 | 25 August 2023 | £4,000 | Faster payment |
| 2 | 27 September 2023 | £19,400 | Faster payment |
| 3 | 29 September 2023 | £9,900 | Faster payment |

Mr F said that he didn't conduct his own research into the investment at the start and relied on what appeared to be an endorsement from a celebrity. He then appeared to be receiving profits on his initial investments which encouraged him to invest more money, and he was able to make two withdrawals. He said he took out two loans to enable him to invest a higher amount.

Mr F said he realised he had been the victim of a scam in late November / early December 2023, when his personal trading advisor stopped contacting him. Mr F said that while Chase did provide warnings to him when he was making his payments it didn't raise the issue of the possibility that he was being scammed.

Chase issued a final response to Mr F's complaint dated 16 July 2024. It noted that Mr F's claim was for losses of £33,300 between 25 August 2023 and 29 September 2023 and it had refunded him £4,000. Chase said that it had reviewed Mr F's claim but found no errors and so didn't uphold Mr F's complaint. Chase explained that it refunded Mr F's first payment for £4,000 because it didn't provide adequate warnings to Mr F. But on both payments 2 and 3 cryptocurrency warnings were given and Mr F stated that he had no concerns and was in control of the accounts.

Mr F referred his complaint to this service.

Our investigator didn't uphold this complaint. They noted that Chase stopped the initial

payment request for £4,000 and spoke to Mr F, asking him questions about the payment and provided Mr F with disclaimers, warnings and educated him about the FCA register and fraud and scam awareness. However, Mr F still wanted to continue with the payment. Mr F confirmed that the account he was paying to, was under his control and he wasn't being pressured into the payment. He said he had set up the Chase account for making investments as it provided more flexibility than his other bank account.

Our investigator said that Chase had carried out a proportionate intervention and provided scam warnings to Mr F, but he still wanted to go ahead with the payments.

Mr F asked for his complaint to be reviewed by an ombudsman.

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 am sorry to hear of the experience Mr F has had, and I accept from the evidence provided that he has been the victim of a scam. However, Mr F authorised the payments from his Chase account and under the Payment Service Regulations 2017, the starting point is that Mr F is liable for the payments he authorised. However, Chase should have systems in place to look out for out of character or unusual transactions, or other signs that might indicate that its customers are at risk of fraud. Its terms and conditions also set out how it will deal with scams. So, for me to uphold this complaint I would need to be satisfied that Chase hadn't done enough to protect Mr F's money and that, had it taken further action, this would likely have identified the scam and prevented the payments being made.

Mr F set up a Chase account on 25 August 2023 and then made a payment of £4,000 into the account before making a payment for the same amount to his online cryptocurrency account. This initial payment was declined and Mr F called Chase about this. On the call Mr F confirmed that the payment was being made to his personal investment account which included cryptocurrency. The agent asked why Mr F had opened an account with Chase and Mr F said that Chase was recommended to him. The agent explained that due to cryptocurrency being at a high-risk of scams they were required to ask further questions. Mr F said that his financial adviser suggested he open an account with Chase, but that he had full access to his cryptocurrency account. The agent said they were not comfortable with making the payment due to the risk, but Mr F said he wanted to proceed with the payment. The payment was made but I note that Chase did refund this payment after Mr F raised his claim.

Mr F made two payments into his Chase account on 26 September 2023 (for £9,800 and £9,700 respectively) and then made a payment out to his cryptocurrency account for £19,400 on 27 September. This payment was declined and Mr F called Chase to discuss this. I have listened to the call and Mr F was asked again why he opened the Chase account. He said that he wanted more flexibility than offered by his bank account. He explained that the payment for £19,400 was for a personal investment in cryptocurrency. Mr F confirmed that he had full access to the cryptocurrency account. He was provided with fraud warnings and the agent explained why they were asking the questions, but Mr F made it clear that he knew what he was doing and wanted the payment to go ahead.

Mr F made a further payment of £9,900 into his Chase account on 27 September and then paid this out to his cryptocurrency account on 29 September. Again, the transaction was stopped and Mr F called Chase to discuss this. Mr F again confirmed that he was paying the money to his personal investment account which involved cryptocurrency. Mr F was given the warning about scams including where to look for issues such as the FCA register. Mr F

confirmed he was in full control of his account and wanted the payment to go ahead.

So, while I am sorry that Mr F has lost his money due to being the victim of a scam, I find in this case that Chase did act in line with its account terms and in a proportionate way when it stopped each payment and required contact before the payments were released. Chase refunded Mr F's first payment for £4,000 and I do not find it is required to refund the second or third payments. I say this because Mr F was questioned about his payments and provided warnings about both cryptocurrency risks and the risk of scams. He was told where to look to check the investment he was making, and he said he would do this. Mr F was clear that he was in control of his accounts and that he trusted his financial adviser. Therefore, I do not find that any further questioning would likely have prevented him approving the payments.

I'm also satisfied that had Chase taken steps to try and recover Mr F's funds as soon as it was aware of the fraud, this wouldn't have made a difference in the circumstances. This is because the Chase payments were made to an account in Mr F's name and so he had control of this until the money left that account, at which point Chase wouldn't have been able to take any action to recover the funds.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 18 September 2025.

Jane Archer
Ombudsman