

The complaint

Mr C complains that J.P. Morgan Europe Limited (trading as Chase) has not refunded money he lost to a scam.

What happened

Mr C met an individual on a dating app, I'll call this person L. Mr C believed he had developed a fairly close online relationship with L, when they then began to tell him about investments they were involved in. L said their uncle was involved in trading and that they could advise Mr C on how it worked so that he could make a profit too. Mr C has said he saw documentation about this investment, and was satisfied it was legitimate, so he began to invest. Unfortunately, and unknown to Mr C, L was not legitimate, he was being scammed.

In April 2024 Mr C made a series of payments from his Chase account that related to this scam. These payments went from his Chase account to an account he held with another bank (Bank B) and from there they were sent on to a third bank account belonging to Mr C (at Bank R) before they were ultimately sent on to the fraudsters.

Eventually, when Mr C tried to access his supposed profits, he discovered he did not have access to his funds, and realised he had been scammed. So, he complained to Chase that he had been scammed, and that he felt it could have done more to protect him. Mr C has said that he was particularly vulnerable at the time due to bereavement and illness in his family.

Chase looked into Mr C's complaint but it did not consider it should be liable for his loss as the payments had been made to another account in Mr C's name, so it felt the loss had not been from his Chase account.

Mr C was unhappy with Chase's response and so complained to our service.

One of our investigators looked into Mr C's complaint but they were satisfied Chase was not liable for Mr C's loss. They did not think the terms of Mr C's account entitled him to a refund of his loss, and did not consider that the payments were unusual enough in the context of Mr C's account usage to have merited any intervention from Chase which could have prevented the scam.

Mr C disagreed, he maintains that his vulnerability meant he couldn't protect himself from this scam, and that the payments were out of character. So, as no agreement could be reached, Mr C's complaint has been passed to me for review.

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 C authorised the scam payments for the purposes of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, in broad terms, the starting position is that a bank is expected to process payments and withdrawals that a customer

authorises it to make, in accordance with the Regulations and the terms and conditions of the customers account. And I have taken this into account when deciding what is fair and reasonable in this case.

There's no dispute that this was a scam, although Mr C didn't intend his money to go to scammers, he did authorise the disputed payments. As explained above, Chase is expected to process payments and withdrawals that a customer authorises it to make, but where the customer has been the victim of a scam, it may sometimes be fair and reasonable for the bank to reimburse them even though they authorised the payment.

The terms and conditions of Mr C's Chase account state the following:

"You'll generally get a refund for a payment if you have any of the problems set out below...

A payment where you're tricked into sending money to a fraudster...This is where you:

- *either intended to send money to a particular person, but you were tricked into sending money to someone else; or*
- *sent money to someone for what you thought was a genuine purpose, but which was actually fraudulent...*

If, taking everything into account when the payment was made, we find you should've known you were being tricked into sending money to a fraudster you won't get a refund."

I agree with our Investigator that the circumstances around these payments should have been concerning to Mr C, given the information we have seen. So, I do think he should have known that he was potentially being tricked. But in any case, the payments Mr C made from his Chase account were to another account within his own control at Bank B, and so were not payments direct to a fraudster, so they would not be covered by this term regardless of the risks Mr C should have identified when making them.

Because of this, Mr C is not entitled to a refund of his loss under the terms of his account. And Chase was also not a signatory of the Lending Standard's Board's Contingent Reimbursement Model (CRM) Code, and in any case payments between a customer's own account are not covered by that Code, so he is not entitled to a refund of his loss under that Code either.

However, the regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.

So, I've also thought about whether Chase did enough to try to keep Mr C's account safe.

But having reviewed Mr C's statements, I don't consider that it would be reasonable to expect Chase to have intervened in these payments in any way. Some of the payment to the scam were relatively high, but Mr C was paying an account that he had paid many times in the past, and that was in his own name with a well-known high street bank. And in the weeks preceding these scam payments Mr C had made a series of high value transfers to his account at Bank B, establishing a pattern of such behaviour. So, when he started to make the scam payments, which were smaller than previous payments he had made, I can't see how they would have stood out as being particularly unusual, or risky, to Chase.

With this in mind I don't consider that Chase was required to have intervened in any of the scam payments Mr C made from his Chase account, and as Mr C didn't discuss any of these payments with Chase I can't see that it missed the opportunity to prevent the scam. So, overall, I can't fairly say that Chase should bear any liability for Mr C's loss here.

And given the destination of the payments in dispute – one of Mr C's own accounts at Bank B - there was also no real prospect of Chase being able to help Mr C to recover his money once it had been informed of the scam.

I do appreciate that Mr C has apparently been through a very difficult period, experiencing bereavement and illness in his close family, but I don't consider that this affects Chase's liability here. Vulnerability is a factor to be considered under the CRM Code, but as noted, that Code does not apply here. And given that I don't consider Chase was required to have intervened in the payments Mr C was making, I can't see how his particular vulnerabilities would have led to a different outcome here.

I appreciate this will be very disappointing for Mr C, and I'm sorry that he's been the victim of a cruel scam, but with all I've seen I do not think I can reasonably say that Chase should be held responsible for his loss.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 29 October 2025.

Sophie Mitchell
Ombudsman