

The complaint

Ms P is unhappy that J.P. Morgan Europe Limited trading as Chase haven't refunded money she lost as a result of a scam.

Ms P is being represented by a professional representative but for ease of reading I'll only refer to Ms P in the decision.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In the summer of 2023 Ms P came across an advert on social media that had a celebrity endorsement. Ms P registered her interest and was contacted by someone from the merchant. Ms P decided to start investing. She was told by her 'account manager' from the merchant that she should download a screensharing software to help them move her money to the merchant. Ms P started making payments from another one of her accounts with a bank I'll refer to here as F. In total she sent around £124,300 to a genuine crypto exchange before moving that money to the merchant.

When Ms P realised she had been scammed she contacted Chase to raise a claim. But Chase said it hadn't done anything wrong – so it didn't offer her a refund. As a result, Ms P brought her complaint to this service.

Our Investigator didn't think the complaint should be upheld. She said that Chase stopped the payments Ms P made to the genuine crypto exchange and provided reasonable interventions. But Ms P provided misleading answers to its questions which meant Chase wasn't able to narrow down the scam risk and uncover the scam.

Ms P disagreed and asked for an Ombudsman's review. She said there were inconsistencies in her answers that Chase should've seen as red flags. As a result, Chase could've asked further probing questions and uncovered the scam.

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 sorry Ms P has been the victim of a scam, and I don't underestimate the impact this has had on her. But I must consider whether Chase is responsible for the loss she has suffered. And while I realise this isn't the outcome Ms P is hoping for, for similar reasons as our Investigator, I don't think it is. I therefore don't think Chase has acted unfairly by not refunding Ms P's loss. I'll explain why.

It isn't in dispute that Ms P authorised the payments here. And, under the Payment Services Regulations 2017 and the terms of her account, Chase are expected to process the payments and Ms P is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Chase to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

Chase asked Ms P information about the payments before processing them. But she doesn't think it went far enough here – and that if it had delved more deeply, her loss would've been prevented.

So, the starting point here is whether the instructions given by Ms P to Chase were unusual enough to have expected further questioning being carried out before the payments were processed. But I must keep in mind that Chase processes high volumes of transactions each day; and that there is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

Overall, I can see Chase stopped most of the payments and spoke to Ms P to understand why she was making them. When Ms P spoke to Chase, it told her that it should be wary of adverts online on social media promising high returns and any approaches. Ms P repeatedly denied that anyone else had access to her chase or crypto account and confirmed she had consulted her accountant and a financial advisor about her decision to invest. Ms P also confirmed she had checked the Financial Conduct Authority's (FCA) website and the warning lists and that she wanted to build her portfolio in Bitcoin. She said the decision to invest was hers and no one else had told her to send the money. In one of the calls, she mentioned speaking to a financial advisor but said that person was a family friend who she had spoken to about investing in crypto, denying that that financial advisor was the reason for her deciding to invest and make the payments.

I note in one of the calls Ms P told Chase that one of her payments was going to her children because she had borrowed money from them for home improvements. Chase asked her if it had anything to do with other payments she had made to the same genuine crypto exchange. Ms P said this was for home improvements, confirmed that it was the correct destination and that she owned the crypto account. Ms P said it wasn't related to her crypto and that she wasn't sure if she would make more payments to invest. I think these responses were strange from Ms P. But Chase followed up with her that scammers were tricking customers to move money around with the promise of financial gain and to lie to their bank about the real reason for making the payments. Ms P denied that she was being told to move the money for those reasons. I note Ms P told this service that she was briefly advised by the scammer that banks are resistant to crypto and that is why she told Chase and F about the home improvements.

Ms P has argued that Chase should've probed further and picked up on the different payment reasons they were given. But if Chase had probed further, I think Ms P would've continued to confirm she was making the payments on her own and that she wasn't being instructed to make the investment and the payments to the crypto exchange. Chase warned her about fraud and scams in the crypto market and repeatedly told her about crypto scams which were relevant to her circumstances such as adverts on social media, discussions via messaging services, pressure to invest and account managers. But Ms P denied that those were relevant to her payments. If Ms P had been honest and said she was told to open her account with Chase and the crypto exchange by a third party she had discovered on social media then the conversation would've been different. So, I don't think Chase treated her unfairly by asking the questions it did and providing her with the various warnings about investing in crypto.

Recovery

Ms P made the payments to her crypto account before moving the money to the scammer. So, there were no funds for Chase to recover when it was made aware of the scam.

Ms P mentioned the terms and conditions of her account which mention Chase refunding scam related payments. But after reading them, Ms P's circumstances aren't entitled to such a refund as she sent the money to her account at a genuine crypto exchange instead of directly to the scammer.

I'm sorry to hear about what happened to Ms P before this scam occurred. But I'm afraid as Chase wasn't reasonably aware of the issues she was dealing with, I can't say it treated her unfairly here.

I have a great deal of sympathy for Ms P and the loss she's suffered. But it would only be fair for me to direct Chase to refund her loss if I thought it was responsible – and I'm not persuaded that this was the case. For the above reasons, I think Chase hasn't acted unfairly and so I'm not going to tell it to do anything further.

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 Ms P to accept or reject my decision before 29 September 2025.

Mark Dobson
Ombudsman