

The complaint

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

Mr H is being represented by a third party. To keep things simple, I will refer to Mr H throughout my decision.

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 H found an advertisement via social media for an investment company I will call "X" that specialised in cryptocurrency investment, after an initial inquiry was made Mr H was contacted by X who explained the investment process.

Mr H agreed to invest with X. As part of the investment process Mr H was required to download screen sharing software and to open an account on X's platform, as well as with other account providers.

Having paid into the investment Mr H attempted to make a withdrawal. But was told he would have to make further payments first. Mr H made the requested payments but didn't receive his requested funds. At this stage Mr H realised he had fallen victim to a scam.

Mr H has disputed the following payments made from his account with Chase in relation to the scam.

Payment	Date	Payee	Payment Method	Amount
1	9 April 2024	Individual 1	Transfer	£10,000.00
2	3 May 2024	Horizon Real Estate Limited	Transfer	£15,000.00
3	8 May 2024	Residential House Complex Limited	Transfer	£16,000.00
4	14 May 2024	Residential House Complex Limited	Transfer	£25,000.00
5	20 May 2024	Residential House Complex Limited	Transfer	£25,000.00
6	24 May 2024	Residential House Complex Limited	Transfer	£21,000.00
	30 July 2024			£35,000.00cr

Our Investigator considered Mr H's complaint and didn't think it should be upheld. Mr H 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.

It has not been disputed that Mr H has fallen victim to a cruel scam. The evidence provided by both Mr H and Chase sets out what happened. What is in dispute is whether Chase should refund the money Mr H lost due to the scam.

Recovering the payments Mr H made

Mr H made the disputed payments by transfer. When payments are made by transfer Chase has limited options available to it to seek recovery.

I can see that Chase did contact the operators of the receiving accounts but only a nominal amount remained. Considering it is not unusual for a scammer to move funds as soon as they are received, I don't think it is unreasonable that Chase was unable to recover the payments Mr H has disputed.

Should Chase have reasonably prevented the payments Mr H made?

It has been accepted that Mr H authorised the payments that were made from his account with Chase, albeit on X's instruction. So, the starting point here is that Mr H is responsible.

However, 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.

The question here is whether Chase should have been aware of the scam and intervened when Mr H made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Mr H made in relation to the scam were significant in value. I think Chase should have had concerns that Mr H could have been at risk of financial harm and it should have intervened. I think a proportionate intervention would have been for Chase to have provided a human intervention and asked Mr H questions about the payments with the intention of finding the events that led to them being made.

I can see that Chase did intervene when several of the payments were made and several calls took place. I have listened to recordings of these calls.

When Mr H made payment 1 Chase's fraud prevention systems were triggered and a call between Mr H and Chase took place. During this call Mr H confirmed:

- He was making the payment in relation to work he was having done at his home
- The work was 98% complete
- He knew the person doing the work and had known them for 30 years and the person had done work for his business in the past
- He had not found the service online
- Bank details had been provided to Mr H in person
- He had not downloaded any screensharing software
- He doesn't go on social media

When Mr H made payment 2 Chase's fraud prevention systems were triggered again, and a call took place between Mr H and Chase. During this call Mr H confirmed:

- He was making the payment in relation to a property he was renting for a family member
- He had initiated the payment himself

- He had not been asked to download any screen sharing software
- He had not been told to give dishonest information when making the payment
- He had been to view the property
- He received the bank details in person
- He wanted to make the payment the same day as he wanted to secure the property and not miss out.
- He was making the payment from his Chase account as he intended to use Chase in future, his current bank was closing physical branches, and its online services were not as good as Chase's

When Mr H made payment 3 Chase's fraud prevention systems were triggered again, and a call took place between Mr H and Chase. During this call Mr H confirmed:

- He was making a payment in relation to renting a property for personal use
- He had been to view the property that morning
- He had been given the bank details in person
- He had received documentation including an invoice
- He had not been asked to download any screen sharing software
- The payment covered 8 months' rent
- He was renting from a family friend involved in the rental property market
- He was not involved in any type of investment
- He was making the payment from his Chase account as he intended to use Chase in future, his current bank was closing physical branches, and its online services were not as good as Chase's

Despite Mr H providing completely incorrect reasons for his payments and answering Chase's and his other Bank's questions incorrectly, providing incorrect answers, he still received numerous warnings that his payments did match red flags, Mr H ignored the warnings and continued with the payments.

In addition to the above Mr H also funded payments related to the scam from another account in his name that he held with another provider. Calls took place when he attempted those payments. Mr H also provided incorrect information during these calls.

I think Chase could have intervened when Mr H attempted the other payments he has disputed, considering the value of the payments and their associated risk. But it's clear that Mr H was providing stories behind the payments that were incorrect and answered questions incorrectly throughout.

Providing false information would have made it very difficult to uncover the scam that was taking place. So, I don't think Chase missed an opportunity to prevent the scam and it is not responsible for Mr H's loss.

The terms and conditions that apply to Mr H's account provide protection for customers that fall victim to a scam. But they do not apply when a customer should reasonably be aware they were falling victim to a scam.

I think it's likely that either X told Mr H to lie to his banks when making payments, or Mr H felt the need to give false information for another reason. I think Mr H should reasonably have been aware he was falling victim to a scam if he thought he needed to provide made up stories to his banks when making payments and give dishonest answers when asked specific questions related to the payments. So, this term does not apply to Mr H's case.

I am aware that Chase has offered Mr H a substantial refund of part of the loss he has

incurred. Considering my findings above I am unable to ask Chase to provide any further refund to Mr H.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 November 2025.

Terry Woodham
Ombudsman