

## **The complaint**

Mr K complains J.P Morgan Europe Limited trading as Chase didn't do enough to help get a refund for a purchase made on his debit card.

## **What happened**

In March 2024, Mr K bought an item online from a company I'll call "E", paying with his Chase debit card. Mr K then decided to return the item. Mr K says he returned the item, but didn't receive a refund. Having been unable to resolve the issue with E, Mr K contacted Chase for help.

Chase raised a chargeback on behalf of Mr K, which is a process of asking the merchant (E) for a refund, via rules set by the card scheme, Mastercard in the circumstances.

The merchant defended the chargeback, so didn't agree a refund was due. Chase provided Mr K an opportunity to submit further evidence, which he did and escalated his chargeback to the next stage, known as pre-arbitration.

The merchant continued to defend the chargeback, so Chase escalated the dispute to the final stage of the chargeback process known as arbitration in support of Mr K. This is where the dispute is referred to the card scheme, which decides the outcome of the chargeback.

This took a number of months, and in October 2024, Chase informed Mr K that the card scheme had reviewed his chargeback and sided with the merchant, meaning his dispute was unsuccessful.

Unhappy with the outcome of the chargeback, Mr K raised a complaint. Chase doesn't agree it's done anything wrong. It says it raised Mr K's chargeback correctly and progressed it to the last stage of the process. Chase says the outcome of the chargeback was decided by the card scheme, which isn't something it had any control over.

Mr K then referred his concerns to our service. One of our Investigators looked into what happened and thought Chase had treated Mr K fairly. He said Chase had correctly raised the chargeback and progressed it to the final stage. He said the outcome was decided by the card scheme, which isn't something we can comment on. On this basis, our Investigator didn't think Chase needed to do anything further.

Mr K disagreed. He says he submitted evidence showing he returned the item, so Chase and the card scheme didn't properly consider his dispute. As the matter remained unresolved, the 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.

I'm looking here at the actions of Chase and whether it acted fairly and reasonably in the way it handled Mr K's request for help in getting his money back. This will take into account the circumstances of the dispute and how the merchant has acted, but there are other considerations, such as the card scheme rules, which Chase must follow and its own obligations.

Mr K paid using his debit card. This meant the only realistic option available to Chase to help get his money back was to engage with a process known as chargeback.

The chargeback process provides a way for Chase to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant (E) and effectively asks for the payment to be returned to the customer. There are grounds or dispute conditions set by the relevant card scheme (Mastercard) and if these are not met, a chargeback is unlikely to succeed.

The process provides an opportunity for a merchant to provide a defence to the chargeback and its own evidence in support of that defence. If the merchant continues to defend the chargeback, Chase can either accept that defence, or it can ask the card scheme to decide who gets to keep the money – usually referred to as arbitration. Once a dispute has been referred to arbitration and decided by the card scheme, that is the end of the chargeback process, and the outcome can't be changed.

It's important to note, in this decision, it's not for me to decide the outcome of Mr K's chargeback, rather my role is to decide whether Chase acted reasonably, considering its responsibilities in the chargeback process.

Having thought about everything, while I appreciate the answer is likely to come as a disappointment to Mr K, acknowledging that the transaction was for a significant amount, I've reached the same conclusion as our Investigator for broadly the same reasons. I'll explain why below.

Chase raised a chargeback, in support of Mr K's request for a refund. The merchant didn't agree a refund was due, defending the chargeback. Consequently, Chase escalated Mr K's dispute to pre-arbitration and then arbitration which is the final stage of the chargeback process. Throughout, Chase gave Mr K the opportunity to provide evidence when appropriate to support his position.

As a result, I haven't seen anything to say Chase treated Mr K unfairly. It raised the chargeback, and escalated Mr K's dispute, using the full chargeback process. The dispute ultimately went to arbitration where the card scheme decided the outcome, and while it wasn't in Mr K's favour, this isn't something Chase had any control over.

While I appreciate Mr K is unhappy with the outcome of his chargeback, this was decided by the card scheme, Mastercard, so isn't something I have the remit to comment on, as this complaint relates to the actions of Chase.

I appreciate it took several months for Mr K to get a final answer on his chargeback which may have been frustrating. I haven't however seen anything to say this was due to an error made by Chase, rather it escalated his chargeback in a timely manner and then had to wait for the card scheme to review the matter at arbitration.

In conclusion, while I realise this is unlikely to be the answer Mr K is hoping for, I'm not asking Chase to do anything further. I think it fairly considered his request for help in getting a refund and correctly processed the chargeback to arbitration. The outcome was decided

by the card scheme which is the final stage of the process. While the chargeback wasn't settled in Mr K's favour, this wasn't a decision made by Chase.

### **My final decision**

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 16 July 2025.

Christopher Convery  
**Ombudsman**