

The complaint

Mr B complains that J.P. Morgan Europe Limited, using the brand name “Chase”, hasn’t dealt fairly with a dispute he raised regarding a card transaction. He also complains that a savings account was mis-sold to him.

What happened

Mr B has a bank account with Chase. In May 2024 he requested a Chargeback claim with the bank. He wanted a refund for a watch he had bought that was faulty. Chase requested an independent report to confirm the watch had a fault. Mr B raised a complaint. He said Chase had classed the watch as an electrical item when it wasn’t, it was a classic men’s wristwatch. He said Chase wanted him to take it to an electrical store for confirmation of what could be wrong with it. He said this didn’t make sense.

In its final response Chase said it understood Mr B’s watch didn’t fall into the electrical category, but it would still ask for relevant supported documentation as part of the card scheme guidelines. It said it could still raise the Chargeback without this information, but the chances of success would be reduced.

Mr B also complained he had been misled about the terms of a saving account. He said the way he had managed his account made him eligible for a special savings account which included a bonus percentage on top of the standard interest rate. He said this turned out not to be true, that he had recommended the account to friends who all said they’d had the same offer but hadn’t had to use the account in the same way. Mr B said he called Chase again to understand the criteria and was provided with different answers. He said he’d been given incorrect advice which had cost him money because he’d transferred £5,000 in order to benefit from the bonus. Chase didn’t uphold this complaint.

Mr B further complained about the customer service he received. In its final response Chase accepted it needed to consider customer’s time in relation to making calls. It paid Mr B £25 as compensation. Mr B brought his complaint to this service. He also complained about a second Chargeback dispute.

Our investigator concluded Chase hadn’t acted unfairly regarding the first Chargeback and the savings account. With regards the second Chargeback the investigator said no complaint had been raised by Mr B. Mr B disagreed and asked for a decision from an ombudsman. He made some additional comments to which I have responded below where appropriate.

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 realise this will come as a disappointment to Mr B but having done so I won’t be asking Chase to do anything further for the reasons I’ve outlined below.

I’ve seen that Mr B has made numerous points in support of his complaint particularly in

response to our investigator's view. I'm not going to respond to every single point made by him. No discourtesy is meant by this, instead I've focused on what I think is the crux of the complaint. Our rules allow me to do this and simply reflects the informal nature of our service. If there's something I've not mentioned it isn't because I've ignored it, I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is the right outcome.

First Chargeback

When Mr B brought his claim to Chase it initiated the Chargeback approach. Chargeback is a transaction reversal made to dispute card transactions and obtain a refund if there is a problem with the product or service. Chargeback rules are set by the card scheme, and not the card issuer. The rules can be strict.

Chargeback is a voluntary scheme, not a legal right, there is no automatic right to it, nor is it a guaranteed method of getting a refund. The card issuer, in this case Chase, checks the nature of the claim against the possible Chargeback reasons to check what evidence may be required and the timescales of the scheme. Card issuers don't have to submit claims. And will likely only do so where they believe there is evidence to support a successful Chargeback claim.

Mr B is specifically concerned that Chase miscategorised the watch as an electrical item when it wasn't. I understand why this would be confusing. Chase said that a watch can sometimes be listed in this category, and it is the case that some watches are electrical (e.g. smart watches) though I accept Mr B's wasn't. Chase has said it asked Mr B for information that would allow it to challenge any decline request for refund from the merchant. It's important for me to say that the bank asking for evidence of a fault whether the item is electrical or not is a reasonable request in order to increase the chances of a successful refund for the customer - in the event the merchant disputes the refund, and the Chargeback goes to arbitration.

Our service is an informal dispute resolution service. We don't look at the procedures and working practices of the business. My role is to decide if Chase handled Mr B's Chargeback claim fairly. Chase has to work within the scheme's guidelines and rules. I haven't seen any evidence it didn't do so when it categorised the watch. And even if the watch wasn't electrical Mr B was asking for a refund of over £450 so I don't think Chase acted unfairly by asking for evidence of the fault from an independent source. And I can't see that marking the watch as electrical materially disadvantaged Mr B's claim.

At the time of our investigator's view the Chargeback process for the watch was still ongoing. I asked both Chase and Mr B for an update on the outcome. Mr B didn't respond. Chase responded by saying:

"The Chargeback was unsuccessful and after review, the decision was made to refund the customer and write the amount off as the Chargeback could have been raised better so the error was on our part. The customer was refunded on 31 October 2024."

I'm pleased Chase accepted it had made an error. I asked Chase for confirmation of the refund but it didn't respond. If Mr B disputes that he was refunded, then he should raise this with Chase in the first instance so it may investigate.

Second Chargeback

Mr B said he had complained to Chase and had received a final response, and our

investigator confirmed a new complaint would need to be raised with our service. I asked Chase to provide an update on this Chargeback. It said:

“From the customer’s account I can see two disputes against (the second merchant) but no Chargebacks were raised as customer was outreached three times for evidence but was not received so the cases were closed down.”

If Mr B disputes Chase’s response, then again, he would need to raise this with Chase in the first instance.

Mis-sale of Savings Account

In his complaint call Mr B has said he was told that because of the way he’d used his account he was eligible for the boosted savings account. He said the advisor “exclusively made it known to me” he was eligible for the boosted savings because of what he’d been doing with his account. He said the people he’d recommended the bank to hadn’t managed their account the same way and still got the same offer.

I’ve listened to a series of calls between Mr B and Chase. In his initial complaint call regarding the first Chargeback the customer service advisor ended the call by telling Mr B he was eligible for the boosted savings account. The advisor told Mr B his account was eligible for the offer. He explained the normal savings rate was 4.1% interest, but the promotional offer added 1% to a total 5.1%. The advisor did not say how Mr B’s account was eligible, nor did Mr B ask how it was. The advisor explained this promotion only lasted six months and that he just wanted to share it with Mr B. He then invited Mr B to check out the details on the website, but Mr B had already started to open the account online on the call. The advisor appeared surprised by this but helped to guide Mr B in the account opening. This included helping him change the nickname of the account and how to add money. Mr B asked some questions about how much could be saved and how the interest was paid and appeared very happy with the account at the end of the call. I’m satisfied the advisor didn’t say Mr B’s eligibility had anything to do with how he’d run the account, merely that he was eligible. Nor did he say the offer was exclusive to Mr B. So, while I can see Mr B opened the account very quickly, I’m not persuaded Mr B was misled about the savings account eligibility.

Customer Service

Mr B said Chase had called him on a Sunday evening – which he felt over stepped and wasn’t proper behaviour – as a Sunday is personal family time. The call was routed to voicemail, and he said he was then given only 24 hours to respond. Chase has acknowledged it needed to consider a customer’s time when calling. It paid him £25 in compensation for this which I consider to be fair and reasonable and what I would expect.

I’m sympathetic to the fact this is not the news Mr B would like but I’m satisfied Chase has acted fairly when dealing with Mr B’s complaint points.

My final decision

My final decision is I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 14 July 2025.

Maxine Sutton
Ombudsman