

The complaint

Mr S complains J.P. Morgan Europe Limited, trading as Chase (“Chase”), refuse to refund or clawback a payment he made from his account because it relates to a gambling transaction. Mr S adds that the gambling company say he never made the payment of £1,200 which resulted in a winning bet.

What happened

The details of this complaint are well known by both parties, so I won’t repeat them again here in detail. Instead, I’ll focus on setting out some of the key facts and on giving my reasons for my decision.

Mr S says he placed a bet with the gambling company, who I will now refer to as W in October 2024. Mr S says the funds showed in his betting account enabling him to place it. Mr S says he won the bet but when he logged into his account with W, there was nothing showing. Mr S complained to W and they said no such payment was made. Mr S then approached Chase who provided him with the transaction details.

Chase didn’t uphold Mr S’ complaint. Chase didn’t uphold Mr S’ complaint. In summary, Chase said it only processes requests and makes payments to a merchant as requested by its customer. And it doesn’t have the ability to choose the recipient of any payment.

Mr S referred his complaint to this service. One of our Investigator’s looked into Mr S’ complaint and they recommended it wasn’t upheld. In short, they made the following key points:

- Mr S provided his Chase bank statement to W, but W couldn’t locate his payment
- Chase has provided a screenshot which shows the payment of £1,200 being made to W
- Chase has explained, due to the rules that apply, that it’s unable to do a chargeback as it relates to a gambling transaction
- Mr S has said the payment reached his account with W after which he placed the bet. So, the payment was made without error based on this. Mr S will therefore need to take this up further with W

Mr S didn’t agree with what our Investigator said. Mr S wanted verification that the transaction took place and reached W given W had said the payment reference wasn’t for one of their accounts.

As there was no agreement, 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.

Having done so, I have decided not to uphold this complaint. I'll explain why.

Chargeback is the process by which settlement disputes are resolved between card issuers and merchants under the relevant card scheme. There are three main card schemes that have a chargeback process – I have not expressly named the card scheme for Mr S' complaint here as this decision will be published.

The chargeback system's intended to resolve settlement disputes. So, most of the chargeback reasons in the card scheme rules relate to problems with settlements. But behind some of those settlement disputes, there may be something that's gone wrong between a cardholder and a merchant. So, the chargeback scheme might be able to be used to try to resolve that problem, without needing to resort to more formal resolution, such as court action.

I have seen a copy of the card scheme's rules which says that gambling transactions are ineligible for the chargeback scheme. This information is available on the card scheme operator's website. So, given Mr S' payment relates to a gambling transaction, I'm satisfied Chase is acting in line with these rules when saying it cannot carry out a refund using the chargeback process.

Mr S has questioned whether there has been an investigation into where the payment was made to. Firstly, I note Mr S has clearly said he saw the £1,200 reach his account with W after which he placed the bet. So, it appears the real issue here, as Mr S alludes to in his testimony, is with W.

Chase has also sent me technical information which shows the payment of £1,200 was made to a company with the same name as W. I have also looked at the website for this payment and note it is for W. So, from the information I've been given, which I note Mr S has also been provided, I'm satisfied it shows Chase made the payment to W. Its worth noting too that given this was an online payment, Mr S would've entered the requisite credentials.

So, after carefully considering all the information, I'm satisfied that Chase is acting fairly when saying it cannot chargeback a gambling transaction and it has provided information of the payment to Mr S as per his request. That means I won't be directing Chase to refund Mr S the payment.

For the sake of completeness, I note Mr S has referred to the payments as a disputed transaction. But I don't think this is a disputed transaction in line with the provisions of the Payments Service Regulations (PSR's) given Mr S says he did authorise the payment.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 January 2026.

Ketan Nagla
Ombudsman