

## **The complaint**

Mr S complains that J.P. Morgan Europe Limited trading as Chase hasn't reimbursed a payment that he says he didn't authorise.

## **What happened**

In August 2024 Mr S received an email that appeared to come from a delivery company asking him to pay a small fee. He recalls following the instructions online to make this payment and then seeing a notification that a payment of over £2,000 had left his account. Mr S contacted Chase and informed it that he had been scammed and didn't want that payment to go out.

Chase declined to reimburse the payment on the basis that it had concluded Mr S confirmed the payment in his banking app. It paid him £30 compensation for poor communication relating to the matter.

When the complaint was brought to our service, the investigator didn't uphold it. In summary they thought Chase had acted fairly in treating the payment as authorised. They didn't think Chase ought to have done more to prevent or recover the payment in the circumstances.

Mr S didn't agree; he said Chase should have stopped the payment when he contacted it.

As an agreement couldn't be reached, the matter was passed to me for consideration by an ombudsman. I issued my provisional decision on 23 September 2025 explaining, with additional reasoning, why I didn't intend on upholding the complaint.

Mr S didn't accept this – he maintained that he didn't confirm the disputed payment in his banking app.

## **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'm not upholding this complaint. I'll explain why.

### Has Chase acted fairly in treating the disputed payments as authorised?

Under the relevant law – the Payment Services Regulations 2017 (PSRs) – the starting point is that Mr S is liable for authorised payments and Chase is liable for unauthorised payments.

Where a payment is authorised, that will often be because the customer has made the payment themselves. But there are other circumstances where a payment should fairly be considered authorised, such as where the customer has given permission for someone else to make a payment on their behalf or they've told their payment service provider they want a payment to go ahead.

It's common ground that Mr S was the victim of a scam, but there is some dispute over

exactly what happened and the steps that he took. Where evidence is incomplete, missing or contradictory, I need to determine what I think is more likely than not to have happened. I do this by weighing up what I do have and making a finding on the balance of probabilities.

At the time of reporting the scam, Mr S told Chase that he was asked to pay €1.85 to a delivery company but a higher figure came up and he rejected the payment – he asked them to confirm the payment wouldn't go out. At the time the staff member explained it was pending but he would get his money back. From listening to this call I consider this reassurance was provided on the basis that they accepted Mr S had rejected the payment they were discussing in his banking app.

Mr S has told our service that the payment flashed up too quickly to do anything with. However, he's also said that he would have consented to pay the €1.85 but when the payment for over £2000 showed up he immediately telephoned Chase.

Chase has provided us with evidence that shows that the payment in dispute was confirmed as part of a stronger authentication process known as 3DS. It has shown this was done in Mr S's banking app which was accessed via biometrics on his usual device. This device had been used for previous undisputed payments and it's not in dispute that Mr S was in possession of it at the time. I also note there was no payment for €1.85 that day.

So, on balance, I think it's more likely than not that Mr S did confirm the disputed payment in his banking app. As there was no reason for Chase not to have relied on this representation by Mr S that the payment had been made with his consent, it follows that I think Chase has acted fairly in treating the payment as authorised. I accept Mr S may well have taken this action thinking the payment was for a lower amount, but as the screen he would have seen contained the payment amount, this doesn't change my finding that Chase has acted fairly.

I note that there was a further attempt to use Mr S' card to make a payment shortly after the disputed payment, and that this was rejected in Mr S' banking app. So, this may have been what he had in mind when Mr S said he had rejected the payment.

#### Did Chase miss an opportunity to prevent Mr S's loss?

In broad terms, the starting position at law is that Chase is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the PSRs and the terms and conditions of the customer's account.

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Chase ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I have reviewed Mr S' account statements. Having considered when the disputed payment was made, its value and who it was made to, I'm not persuaded Chase ought to have found it suspicious, such that it ought to have made enquiries of Mr S before processing it.

For these reasons, I don't think Chase missed an opportunity to prevent Mr S's losses.

I appreciate the payment was still pending when Mr S reported it. But as it was approved through stronger authentication, it had already been authorised and processed by Chase, so Chase couldn't have declined the payment at that point.

#### Should Chase have done more to recover Mr S' funds?

As the disputed payments were made using Mr S's debit card, the applicable route to recover the payment would have been the chargeback process. The rules are set by the relevant card scheme to settle disputes with the merchant.

Chase would only be expected to raise a chargeback if it thought it had a reasonable prospect of success. Given how the payment was authenticated, it's unlikely a chargeback on the grounds of fraud would have been successful under the scheme rules. And as the payment appears to have gone to a genuine merchant, there's no evidence to suggest they didn't provide goods or services in return for the payment - even if this was to someone else. So, for the reasons explained, I don't think Chase needed to do more to attempt to recover Mr S' funds once aware of the issue.

#### Other considerations

Mr S contacted Chase several times about his claim and Chase has paid him £30 compensation to recognise some poor communication in the information he was given. I haven't been provided with anything that persuades me Chase needs to increase this award in the circumstances.

So, for the reasons provided, I don't think Chase needs to do anything further to settle this complaint.

#### **My final decision**

My final decision is that I don't 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 6 November 2025.

Stephanie Mitchell  
**Ombudsman**