

### The complaint

Ms C complains that J.P Morgan Ltd trading as Chase (Chase) won't refund her money she lost in an investment and romance scam.

Ms C is being represented by a professional representative, but for ease of reading I'll just refer to Ms C.

### What happened

Ms C says she is the victim of a scam that started as an investment scam but also had features of a romance scam. Ms C says she was befriended by someone over social media and they exchanged messages daily for about a month. Ms C says that she was vulnerable at the time and the friend provided her with a backstory explaining that he needed her to send him some money.

Ms C was asked to send money to her friend, for various reasons and via various routes, for example: cryptocurrency and gift cards. She says she made around 85 payments to accounts that were not under her control.

She says she was pressured into sending more money until she didn't have any further money to send. The friend became aggressive at this point and threatened Ms C. She says this is when she realised she had been a victim of a scam.

Ms C says she should be refunded by Chase because the terms and conditions of her account say she should be refunded unless she ought to have known she was being tricked into sending money to the scammer. If Chase had intervened properly, she says it would have uncovered the fraud because it was a common scam that matched known red flags. The interventions by Chase weren't sufficient because it didn't probe sufficiently.

Ms C believes the payments were indicative of multi-stage fraud, which should have led to person-to-person interventions by Chase, where adequate questions were asked. In total, she made 85 payments totaling around £75,000 to this scam. Despite this, Chase only intervened twice. While she did provide inaccurate answers when Chase did intervene, her answers about buying items ought to have been considered implausible because the payments were identifiably being sent to a platform that traded digital assets. So she feels that if Chase had intervened it would have easily uncovered the scam.

In general, Chase didn't think it was responsible for Ms C's losses, but it says it refunded a proportion of Ms C's losses, amounting to £19,220.88.

I issued a provisional decision on Ms C's complaint in which I said:

*"I've asked Ms C to provide some further information, which has been outstanding for some time now. I requested further information about refunds she had received from another bank. This is important because this is a multi-stage fraud where money was sent to the scammers via payments from Ms C's other bank (which I'll call N) to Chase and then on to various payees. The refunds appear to relate to payments made by Ms C from N to Chase, which*

appear to have been the source of funds for some of the transactions Ms C is complaining about here. If she has already received a refund from N in respect of some of the payments being complained about, it wouldn't be reasonable for me to require Chase to refund her for the same payments. While Ms C has provided some further information, I haven't been provided with the requested evidence. I also note that some of the payments complained about here appear to have been refunded around the time they were made.

At the moment, Ms C says she has received a refund of around £11,000 from N and I can see that £19,400 was transferred from N to Chase and forms one of the main sources of funds for the transactions complained about in this complaint against Chase. So, in order to determine which payments have already been refunded and in what amount, I do require the further evidence requested.

I also asked Ms C for her comments about the reasons why she gave inaccurate information to Chase when it did intervene. Chase intervened on the first payment and several subsequent payments, but when it asked Ms C why she was making the payments, she provided inaccurate information on more than one occasion. Her reasons for doing this are information to help me determine the fair and reasonable outcome of this complaint. For example it might have a bearing on whether she ought to have had concerns or known she was being tricked, which is relevant to the issue of whether she might be entitled to a refund under Chase's account terms and conditions. It is also relevant to my consideration about whether further or better intervention would have been successful.

Based on the information I have at the moment, while Chase did intervene in some of the payments, Ms C was not honest with her answers to Chase's questions. She hasn't explained why. In addition, from the limited number of messages I've seen that passed between Ms C and the scammer, dating from December 2023, Ms C appears to have been aware of the possibility she was being scammed and told the scammer, on 12 December 2023, that she would report him for money laundering and scamming. Instead, she made further payments to him.

The evidence I have at the moment doesn't persuade me Ms C is entitled to a refund under Chase's account terms and conditions or that further intervention would have been successful. The evidence suggests Ms C made at least some of the payments whilst she had concerns she was being scammed and that she was hiding the true purpose of the payments from Chase from the outset.

Ms C has been partially refunded for these transactions by N and has also received a refund of £19,220.88 from Chase. Even if I were to uphold the complaint, based on what I have seen so far, I consider that Ms C should also bear equal responsibility for her losses. I say this because she was not honest with Chase when it did intervene and I think if she had been honest, the scam would likely have been uncovered by Chase. As mentioned, I haven't been provided with an explanation about why Ms C wasn't honest with Chase. Given the refunds Ms C has already received, full details of which have not been provided, even if I did consider Ms C's complaint should be upheld in part, it isn't clear to me that I would award further compensation than she has already received.

While I sympathise with Ms C because this appears to have been a very distressing scam, coming at a time when she was vulnerable and she has lost a lot of money, based on the evidence provided so far, I'm not upholding Ms C's complaint.

Ms C responded and provided evidence from N that she had received a refund of £4,472.75. She said she had not received a refund from any other bank. I asked for further clarification on this point and Ms C later told me that she had received a further refund of £11,000 from another bank.

She provided a list of the outstanding transactions for which she hadn't received a refund.

Ms C says the scammer told her that banks don't like cryptocurrency, so he gave her cover stories about how to answer if her bank asked her questions about the payments. Later, the scammer told her he had feelings for her and used deep fake images to threaten her.

Chase ought to have realised that the cover stories Ms C gave to it were not plausible and it should have been apparent that the payments were being made to cryptocurrency exchanges. If Chase had intervened effectively early on, the scammer would have had less of a hold over Ms C and her losses could have been prevented.

### **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.

In order to uphold Ms C's complaint, I need to be able to determine what her loss is. Some of the information Ms C has provided about the extent of her loss has been contradictory, in particular in relation to refunds she has received. I have seen evidence that she has received a refund of £19,220.88 from Chase and £4,472.75 from N but Ms C has not provided any detail about the further £11,000 refund she now says she has received, despite me asking for details of other refunds.

There are other gaps in the evidence. Ms C has been able to provide partial copies of messages exchanged with the scammer that start in December 2023, many months after the scam started, and which indicate she had serious doubts about what the scammer was telling her at that time. However, there's limited evidence to show me when those doubts started and what was discussed or how plausible the information the scammer gave Ms C was.

Ms C hasn't been able to provide copies of transaction histories from her cryptocurrency accounts, showing payments being sent to the scammer. She says some of these cryptocurrency accounts were not under her control but it appears others were. She says payments to the scammer were made through one particular cryptocurrency account, which she has said she had no control over. But she also says she made payments to the scammer from that account and the scammer took her through how to use it, step by step.  
**So it's difficult for me to say, on balance, which accounts Ms C did have control over.**

While Ms C has provided a spreadsheet in which she has broken down what she considers to be her loss, I would have liked to have seen the evidence that underpins it, such as transaction histories from her cryptocurrency accounts, where available and details of other refunds, amongst other things.

Overall, it's not clear exactly how much money was moved to the scammer, when and how. It's also not clear how much Ms C has been refunded in relation to the payments from her Chase account, but it is at least £23,693.63 and possibly more. Because of this, I'm not persuaded there is enough evidence for me to uphold Ms C's complaint or that if I did, I would award more compensation than Ms C has already been refunded, given my view set out in my provisional decision that Ms C ought to be held partly responsible for her loss.

### Chase account terms and conditions

I don't consider there is sufficient evidence for me to conclude that Chase ought to have refunded Ms C under its terms and conditions.

As mentioned, it isn't entirely clear at what point Ms C lost control of some of the money transferred from her Chase account. If some payments were transferred to other accounts she controlled, those payments wouldn't be covered by Chase's terms and conditions, since they weren't paid to the scammer from the Chase account.

In addition, under Chase's terms and conditions, no refund would be due for payments if Ms C ought to have been aware she was being scammed.

Whether Ms C ought to have been aware she was being scammed and at what point, is difficult to determine due to the gaps in the evidence.

Ms C wasn't open and honest with Chase from the first transaction, when it intervened to ask her questions about the payment. Ms C says this is because the scammer told her that banks didn't like cryptocurrency and so she needed to disguise the reason for the payments.

There is little supporting evidence about what was discussed with the scammer during the early part of the scam and what Ms C might have known or ought to have known, other than that Ms C knew she was misleading her bank to disguise the true reason for these payments.

Ms C also says that at some point she was told she needed to pay fees to withdraw her investment, but these fees kept changing on a daily basis. Ms C also paid £8,100 in total to the scammer from 31 December 2023 onwards by which point she had good reason to suspect this was a scam. I say this because I've seen copies of messages Ms C exchanged with the scammer, which start in December 2023. These show that Ms C told the scammer she thought this was a scam on 12 December 2023 and that she intended to report him to various authorities. This seems to have been based on a track record of broken promises and money not being repaid when it was supposed to be repaid, which is likely to have started before December 2023 based on all Ms C has said.

So, the evidence I have about what was discussed with the scammer shows that there were factors, like being asked to lie to her bank, that were present from the first transaction. Other warning signs might have come to light later, as the scam progressed. But the evidence suggests to me that Ms C ought to have been aware this was likely a scam by 12 December 2023 at the latest and probably earlier, given the request for fees to release her money.

Based on the evidence that is available and considering the gaps in that evidence, I'm not persuaded it would be reasonable for me to find that Chase should repay Ms C under its terms and conditions because at least some of the payments were made while Ms C had fairly good grounds for suspecting she was the victim of a scam.

Even if I did consider that Chase ought to have probed more deeply when it did intervene and might have uncovered the scam, I'm not persuaded it would be reasonable to compensate Ms C further. This is partly due to the refunds she's already had. It's partly due to the payments she made even after she confronted the scammer and told him she thought she was being scammed, which I don't consider should be refunded. It's also because I consider it would be reasonable to hold Ms C partly responsible for the remainder of her loss, coupled with the difficulties of evidencing what her loss is.

When reaching my view, I've considered what Ms C says about being blackmailed from around 11 December 2023. While I can see copies of undated messages in which the scammer does attempt to blackmail Ms C into sending more money, it isn't clear what date these messages started and whether any more money was sent to the scammer after this. The other evidence does not suggest that this started on 11 December 2023, as the chat messages with the scammer that we do have don't make any reference to blackmail

attempts, despite this evidence covering the period from December 2023 into the early months of 2024 and daily messages being exchanged.

Overall, despite my sympathy for Ms C, who has clearly been the victim of a very cruel scam, I don't consider there is sufficient evidence to uphold her complaint.

### **My final decision**

I don't uphold Ms C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 16 December 2025.

Greg Barham  
**Ombudsman**