

The complaint

Mr P complains that J.P. Morgan Europe Limited, trading as Chase, won't refund the money he lost when he was the victim of a scam.

What happened

In February 2024, Mr P came across an advert for an investment company on a social media website. He followed a link in the advert, was taken to the company's website, and was then contacted by someone who said they worked as a broker for the company.

Mr P was given access to the investment company's trading platform, and shown how to make payments to credit his trading account. And he then made a number of payments from his Chase account to funds his investment, as set out below:

Date	Details	Amount
28 February 2024	To 1 st payee	£4,700
28 February 2024	To 1 st payee	£4,600
8 March 2024	To 2 nd payee	£20,000
25 March 2024	To 3 rd payee	£8,573.29

Unfortunately, we now know the investment company was a scam. The scam was uncovered after the company applied for a loan in Mr P's name and suggested he invest the full available balance in his account. Mr P then realised he had been the victim of a scam and reported the payments he had made to Chase.

Chase investigated and accepted it could have done more to protect Mr P. But it also said Mr P was untruthful when answering questions it asked when he made the payments and didn't do enough due diligence before deciding to invest. So it refunded 50% of the money he had lost. Mr P wasn't satisfied with Chase's response, so referred a complaint to our service.

One of our investigators looked at the complaint. They thought Chase had refunded more than we would have expected, so didn't think it would be fair to require it to refund anything further. But they thought Chase should pay Mr P £150 compensation for not providing the correct level of service in its calls with him. Chase agreed with our investigator, but Mr P disagreed so the complaint has been passed to me.

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.

Banks are expected to make payments in line with their customers' instructions. And Mr P accepts he made the payments here. So while I recognise he didn't intend for the money to ultimately go to scammers, the starting position in law is that Chase was obliged to follow his instructions and make the payments. And so Mr P isn't automatically entitled to a refund.

The regulatory landscape, along with good industry practice, sets out requirements for banks to protect their customers from fraud and financial harm. So, in line with this, I think Chase should have been monitoring accounts, had systems in place to look out for unusual transactions and, in some circumstances, carried out additional checks before processing payments in an effort to protect its customers from falling victim to scams.

And Chase accepts it could have done more to protect Mr P when he made the payments here. So the remaining issue to be determined is whether the refund it has paid Mr P as a result of its failure is fair.

Chase has argued that Mr P should bear some responsibility for his loss, because he was untruthful when answering questions it asked when he made the payments and didn't do enough due diligence before deciding to invest with the investment company. So I've considered whether it would be fair for Mr P to bear some responsibility for his loss.

And I appreciate this was a sophisticated scam, where Mr P was given access to a trading platform where he could see what appeared to be real-time information about trades being made and the profit he was supposedly making. But I also think there were a number of things about what was happening and what he was told that should have caused him significant concern.

Mr P doesn't appear to have done any independent checks into the investment company before making this investment. And, particularly given the amount of money he was investing with it, I think it's reasonable to expect Mr P to have carried out more thorough checks than he appears to have done here.

Mr P has said he can't remember the exact rate of return he was told he was receiving on his investment. But given what we know about these kind of investment scams, and the amount of money Mr P paid into the investment over such a short period of time, I think it's likely he was told he was receiving significant returns. And I think this should have caused him concern that what he was being told was too good to be true.

From what he's sent us of his communication with the investment company, I can also see Mr P was told to give Chase incorrect information about the purpose and circumstances surrounding the payments he was making. He was also given fake invoices to show Chase, to further support the incorrect information he was giving it. But I think being asked to mislead his bank in this way should have caused Mr P significant concern about what he was being told.

In the calls he had with Chase when he was making these payments, Mr P was also asked if anyone had told him not to tell it about why he was making the payments, or if he had been asked to move money on as part of an investment opportunity. But despite both of these things being true, Mr P answered that they were not. Mr P was also told that fraudsters may ask customers to mislead their banks. And I think being asked these questions and given this kind of warning should also have caused Mr P significant concern about whether the investment company was genuine.

I sympathise with the position Mr P has found himself in and recognise that he has been the victim of a cruel scam. But I think there were a number of things here which should have caused him significant concern, particularly when taken all together. And I don't think he did enough to satisfy those concerns or that the seemingly genuine parts of the scam should have been enough to overcome them. So I think it would be fair and reasonable for him to bear some responsibility for the loss he suffered here.

Mr P has said that he was suffering from a number of medical conditions and personal circumstances at the time, which made him vulnerable to this scam. And my intention isn't to diminish to severity of his conditions and I don't underestimate the impact his circumstances had on him. But I don't think his circumstances were such that it would be unfair for him to bear some responsibility for his loss.

As I think Mr P should bear some responsibility for his loss, I think it would be fair for Chase to refund 50% of the money he lost as a result of this scam.

Mr P has said he received £250 back from the investment company into an account he held with another bank. So I think it would be fair for this amount to be taken into account when calculating how much Chase should refund him. But Chase has already refunded Mr P, without taking this amount into account. So it has already refunded him more than I would have recommended here.

I therefore don't think it would be fair to require Chase to refund anything further to Mr P.

Chase has also agreed to pay Mr P £150 as compensation for the poor service it provided to him during the calls about these payments. And I think this is fair and reasonable compensation for the distress and inconvenience this poor service will have caused Mr P. So I don't think it would be fair to require Chase to pay anything further.

My final decision

For the reasons set out above, I uphold this complaint in part and require J.P. Morgan Europe Limited, trading as Chase, to:

- Pay Mr P £150 compensation, if it has not already done so

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 27 March 2026.

Alan Millward
Ombudsman