

## **The complaint**

Ms S complains that J.P. Morgan Europe Limited – trading as ‘Chase’ – hasn’t refunded the money she lost to a bank impersonation (‘safe account’) scam.

Ms S referred her complaint to this service with the help of a professional representative. However, for ease of reading, I’ll refer only to Ms S throughout my decision.

## **What happened**

The circumstances of the complaint are well-known to both parties. So, I don’t intend to set these out in detail here. However, I’ll provide a brief summary of what’s happened.

In August 2024, Ms S received a phone call from a scammer impersonating her credit card company. Ms S was told that suspicious activity had been identified on her credit card account and she needed to act to protect herself from fraud.

Ms S subsequently received a call from a scammer impersonating the Financial Conduct Authority (‘FCA’). Ms S was then tricked into moving money from her Chase accounts, resulting in a loss.

In total, Ms S made eight payments, totalling £51,800, from her current and savings accounts held with Chase. Six of the payments, totalling £50,000 went to her own accounts with other banking providers, before a majority of the funds were moved on to the scammer. Two of the payments, totalling £1,800, were sent to an unknown third party.

Once Ms S realised she’d fallen victim to a scam, she reported the situation to Chase and asked for a refund. Chase said it wasn’t responsible for reimbursing Ms S’s loss because the payments were correctly authorised.

Ms S also reported the situation to one of her other banking providers and received a partial refund of some of the funds she lost which originated in her Chase accounts.

Unhappy with Chase’s response, Ms S made a complaint, however Chase maintained its decision that it wasn’t responsible for refunding Ms S’s loss. So, Ms S referred her complaint to this service.

Our Investigator considered the complaint but didn’t uphold it. In their opinion, Chase couldn’t reasonably have prevented Ms S from falling victim to the scam. They also didn’t think Chase could’ve done any more to recover Ms S’s funds.

Ms S didn’t accept our Investigator’s opinion. As an informal agreement couldn’t be reached, the complaint was passed to me to decide.

In December 2025, I wrote to Chase. I explained to Chase that two of the scam payments, totalling £1,800, had been sent to a third party and not to Ms S's own account elsewhere. Given the payments were made as part of a scam, and went to another person's account, I asked if Chase would consider refunding those payments under the terms and conditions of Ms S's account. Chase has subsequently agreed to refund £1,800 to Ms S.

### **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.

Ms S has made some detailed submissions in support of her complaint. I've read and considered everything she's sent in, but I don't intend to respond in similar detail. I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. 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 or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations (in this case, the 2017 regulations) and the terms and conditions of the customer's account.

It's not in dispute that Ms S made the scam payments from her Chase accounts. So, the payments were authorised and under the Payment Services Regulations, the starting position here is that Ms S is responsible for the payments (and the subsequent loss). However, that's not the end of the story.

Good industry practice required Chase to be on the lookout for account activity or payments that were unusual or out of character to the extent that they might indicate a fraud risk. On spotting such a payment, I'd expect it to take steps to warn the customer about the risks of proceeding.

The key question I must ask myself here, is whether Chase could, more likely than not, have prevented Ms S from authorising the scam payments. Ms S has argued that throughout the scam, she didn't receive appropriate scam education or warnings from any of the financial firms involved, including Chase. She thinks that if the intervention had been more appropriate, the scam would've been identified, and she wouldn't have lost this money.

I appreciate what Ms S has said. And I agree that the questioning she received throughout the scam, from Chase and the other firms involved, wasn't as thorough as I'd have liked to have seen. So, I can appreciate why Ms S thinks Chase should be held responsible for her outstanding loss. However, I don't agree. I know this is likely to come as a huge disappointment to Ms S, so I'll explain why.

From the circumstances Ms S has described and the evidence she's provided, it's clear that this was a professionally run scam and I'm sure it was very convincing to Ms S at the time. She initially responded to a phishing SMS, so when the scammers initiated contact, they already held some of Ms S's information, which will have added plausibility to the scam.

The main scammer, purporting to be working for the FCA, sent Ms S a link to an online article on the FCA website, which gave information about phishing techniques used by scammers. You wouldn't typically expect a fraudster to do this and again, this added plausibility to the scam. So, the scam was very believable from the start.

Throughout the scam, the scammer was in constant contact with Ms S and they spoke to Ms S at length on multiple occasions. She was asked to download an application on her electronic tablet, so that the scammer could listen in to conversations between her and the various financial firms she used to make the scam payments. These conversations often took place just before and/or during the intervention calls. So, I think it's clear that there was a large degree of coaching from the scammer when Ms S was challenged by firms about various transactions she was making.

Ms S had a plausible cover story prepared, which she used multiple times and consistently gave inaccurate answers about the reasons for the payments she was making. This even went as far as providing another firm with evidence of goods she said she was trying to buy, which wasn't the case. She was confident in her answers and gave no impression during the calls I've listened to which suggested she was following instructions from a third party. And there's nothing to suggest she felt uncomfortable providing inaccurate answers when questioned.

Although the intervention from the firms involved wasn't as clear as it could've been, I'm aware that safe account scams were described on several occasions and common hallmarks of what one might look like (which matched Ms S's circumstances) were explained but ultimately ignored.

Ms S was given, on multiple occasions, advice on steps she could take to prevent her falling victim to a safe account scam. Sadly, Ms S didn't follow that advice and I'm not as persuaded as I'd need to be that Ms S would've responded more positively to better education/advice, such was her belief that the scammer was helping to keep her funds safe.

After making the second scam payment from her Chase accounts, Ms S did ask, via Chase's in-app chat, how to verify if someone was calling from the FCA. I think that ought to have given Chase cause for concern, especially as earlier that day she'd sent £25,000 from her account, maxing out her daily transfer limit.

It took Chase over 14 hours to respond to Ms S – despite her question being a clear red flag – which I think was too long. Chase did provide some written instructions to help Ms S protect herself from fraud, but by the time these instructions were given, Ms S had already made three further payments from her Chase account. Chase did subsequently speak to Ms S on the phone and questioned her about her comments regarding the FCA. Ms S didn't answer accurately and said it had happened to a friend of hers. She was given advice, relevant to safe scams, but decided not to follow this and continued to authorise payments from her account with another firm and continued trying to move further funds from her Chase account. So, even if Chase had responded more quickly, I'm not persuaded this would've prevented Ms S from continuing with the scam payments.

I don't think Ms S would've answered accurately if Chase had questioned her more thoroughly through human intervention, which is supported by her concealing the involvement of the scammer when she engaged with multiple financial firms. As a result, I'm not persuaded that Chase reasonably could've prevented Ms S's loss and so I don't think it can fairly be held responsible for reimbursing her.

Most of the scam payments Ms S made from her Chase accounts went to her own accounts with other financial firms. As a result, if any funds remained in those accounts, she still had access to them. As a result, I wouldn't have expected Chase to have taken any steps in an attempt to recover her funds from those accounts.

Ms S has suffered a substantial financial loss, and I have natural sympathy for her. However, I'm not of the opinion that Chase could've prevented the loss or done anything to recover her funds from her own accounts. As Chase couldn't have prevented the payments to Ms S's own account or recovered her funds, I'm not satisfied it can be held responsible for refunding those payments.

However, Chase ought to have refunded Ms S the two scam payments which weren't sent to her own accounts, under the terms and conditions of Ms S's account. Chase has now offered to reimburse those payments, totalling £1,800.

As a result of Chase not assessing and refunding those payments under the terms and conditions of Ms S's account, she's been deprived of those funds. In the circumstances, I think Chase should also pay 8% simple interest per annum on the refund, from 2 September 2024 (the date Chase declined Ms S's scam claim) until the date of settlement.

### **Putting things right**

To resolve this complaint, Chase should:

- refund Ms S £1,800; and
- pay 8% simple interest per annum on the refund, from 2 September 2024 until the date of settlement.

### **My final decision**

For the reasons explained above, my final decision is that I uphold this complaint in part.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 3 March 2026.

Liam Davies  
**Ombudsman**