

The complaint

Ms F complains that J.P. Morgan Europe Limited trading as Chase (Chase|) failed to handle her claim for a refund properly.

What happened

Ms F was abroad and wished to obtain legal advice. She contacted a local law firm and a meeting was set up. Ms F says she did not have an agreement or contract and she was charged £1,632.30 which was paid from her Chase account. Ms F changed her mind and said she could not afford to use the law firm. However, she had a meeting with lawyers from the firm. She asked for a refund and in due course the firm agreed to a refund of the money she paid less the costs relating to the meeting.

Ms F believed she was entitled to all her money back. On 1 August 2025 Ms F contacted Chase and said she wished for it to obtain a refund on her behalf. She provided a screenshot from the law firm confirming it would issue a refund. She later provided copies of electronic exchanges with the law firm. It tried to send the payment via wire transfer but Chase was unable to accept this.

In the following days Ms F called Chase to discuss her claim and explain the makeup of the payment and to request a full refund of her money. In due course she spoke with a manager who said that the bank had to operate within MasterCard's rules and he had determined that allowing for fees included in the sum paid by Ms F and the relevant exchange rates he could raise a chargeback for £1,261.20. Ms F thought the sum should be £1,331.93. Chase explained this discrepancy was due to it using the total sum less the card transaction fee which it believed Ms F was liable for.

Chase accepted that the case had not been handled as well as it could have been and it took longer than necessary so it paid Ms F £70 compensation.

Ms F brought a complaint to this service where it was considered by one of our investigators. He thought Chase had taken reasonable steps to get Ms F's money back. He noted that Ms F had attended a meeting and so it could not be argued that the law firm had not provided any service. That meant Chase could only seek to recover that element of the sum paid for work not done by the law firm. He explained that MasterCard applied the exchange rate applicable at the time the transaction is processed and this is not set by Chase. However, he noted Ms F had been charged an international wire transfer charge by the law firm but it had not completed one. He suggested Chase pay this sum of £24.60. It agreed and said it would round this up to £25.

Ms F didn't agree and argued that she was owed an additional £189.03. After discussions with our investigator Ms F accepted his view, but disputed the exchange rate used. This meant she had lost out £62.95. Chase agreed with this as a matter of goodwill to resolve the dispute. However, Ms F then said that she was owed £67.70 according to her calculations. As a result she asked that the matter be considered by an ombudsman.

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.

When the evidence is incomplete, inconclusive or contradictory as some of it is here – I've reached my outcome on the balance of probabilities – that is, what I consider likely to have happened given the available evidence and the wider circumstances.

I want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I also want to assure Ms F that I've reviewed everything on file. If I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I should make it clear that the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. I do not perform the role of the industry regulator and I do not have the power to make rules for financial businesses or to punish them.

I appreciate the strength of feeling exhibited by Ms F in pursuit of her complaint which I believe should be upheld, but I do not consider I can agree with her initial desired outcome. I will explain why.

Ms F has referred to the dispute being about a fraud. I do not agree. She asked the law firm to provide legal advice and a meeting was set up. She attended that meeting and decided that the cost would be more than she could afford. She requested the law firm to cease work for her. It agreed to refund the money she had paid less a sum for the work it had done. I cannot see how it can be said that it did anything fraudulent. However, the refund seemed to be delayed and there was some confusion about the use of a wire transfer so Ms F turned to Chase to help her.

The route by which Chase could seek to obtain a refund was by way of a chargeback. This is the process by which payment settlement disputes are resolved between card issuers and merchants. It allows customers to ask for a transaction to be refunded in a number of situations, such as where the goods or services are defective.

There's no obligation for a card issuer to raise a chargeback when a consumer asks for one. And chargeback is not a guaranteed method of getting a refund because chargebacks may be defended by merchants. It's important to note that chargebacks are decided based on the card scheme's rules and not the relative merits of the cardholder/merchant dispute. So, it's not for Chase – or me – to make a finding about the merits of Ms F's dispute with the law firm.

Chase's role is to raise the appropriate chargeback and consider whether any filed defence by the merchant complies with the relevant chargeback rules. And from what I've seen, that's what it did here.

Chase appreciated that the law firm had the right to charge for the services it had provided and to seek a chargeback for the full amount would probably fail. Therefore, it took the reasonable step of requesting a proportion of the sum due. Having listened to calls between Ms F and the bank I can see she was not happy with the possible outcome but appeared to accept it. Our investigator has mediated a settlement, but while Ms F accepts it in principle she believes the figures proposed are incorrect.

The position is now that Ms F believes that she is owed marginally more than our investigator has recommended. This is due to her wishing to use a different exchange rate. As is to be expected the rate varies with time and there have been several invoices etc. all using slightly different rates. Quite simply, I do not consider this needs to be amended, but in order to resolve this matter I will use her figures which means the exchange rate sum due is £67.70.

That said I should make it clear I consider that Chase acted to assist Ms F and it did so reasonably and fairly in trying to unravel the details of the claim and it obtained a significant refund for her.

I also note Chase paid Ms F compensation for its handling of the case and I consider this to be more than fair. As such I believe it need pay her no more compensation.

Putting things right

Chase should pay her £24.20 to cover the transaction fee and £67.70 to address her request that a different exchange rate be used.

My final decision

My final decision is that I uphold this complaint and I direct J.P. Morgan Europe Limited trading as Chase to pay the sums set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 26 March 2026.

Ivor Graham
Ombudsman