

The complaint

Mr W complains that J.P. Morgan Europe Limited trading as Chase ('Chase') won't reimburse the funds he lost when he fell victim to a scam.

What happened

Mr W says that in late 2023 he saw an advert online for an investment company I'll call 'B' in this decision. He completed an enquiry form and was contacted by a financial advisor for B who explained the investment opportunity and provided Mr W with a link to a trading platform. The initial investment Mr W made was small and wasn't made from Mr W's Chase account. Mr W could see he was making a profit on the platform and decided to invest more.

Mr W then received fake emails from multiple companies which said he needed to make further payments to release his funds.

On 12 October 2023 Mr W made a faster payment of £25,000 from his newly opened Chase account to a cryptocurrency exchange where he bought cryptocurrency and moved it on to an account controlled by the scammer.

Mr W was asked to pay various fees to withdraw his funds and eventually realised he was the victim of a scam. Through a professional representative, Mr W complained to Chase in August 2025.

Chase said that the £25,000 payment flagged on its system and Mr W was required to speak to Chase about it. During that call, Chase said it provided adequate warnings and told Mr W about the risks involved in investing in cryptocurrencies.

Mr W was unhappy with Chase's response and brought a complaint to this service.

The investigator who considered Mr W's complaint didn't recommend that it be upheld. She said that Chase's intervention didn't go far enough but that she didn't think Mr W's loss would have been prevented if it had gone further.

Through his representative, Mr W didn't agree with the investigator's findings. In summary, he said:

- The investigator hadn't considered the warning the FCA published about B five months before the payment was made. He said Chase had the means and regulatory obligation to inform Mr W of the FCA warning but instead gave generic warnings about investment scams and cryptocurrency and asked M W if he had checked the FCA register.
- The payment from Mr W's Chase account was made at an early stage in the scam before fabricated profits were shown and when his relationship with the scammer hadn't developed. So, it's wrong to assume that he would have acted in the same way as when other firms warned Mr W later in the scam.

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 deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

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 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 Mr W authorised the payment, although he did so not realising he was the victim of a scam. So, the starting position is that Chase isn't liable.

There are, however, some situations where we believe that businesses, taking into account relevant rules, codes and best practice standards, shouldn't have taken their customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Chase also has a duty to exercise reasonable skill and care, pay due regard to the interest of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Chase should have been mindful of – among other things – common scam scenarios, the evolving fraud landscape (including for example the use of multi-stage fraud by scammers) and the different risks these can present to consumers, when deciding whether to intervene. So, the fact that the payments went to an account held in Mr W's name, before the funds moved to an account controlled by the scammer, doesn't negate Chase's responsibility to identify potential risks of financial harm from fraud.

In this case, Chase recognised a risk of financial harm from fraud when the payment was made and spoke to Mr W about it. I think it acted reasonably in doing so given that the account had been opened that day and the only other activity on it was a credit of £25,000, the size of the transaction, and the fact it was identifiably related to cryptocurrency.

Although Chase says it had a detailed discussion with Mr W about the transaction, I disagree. The call was just over seven minutes long and the first minute or so was taken up with security questions. Mr W provided information as follows:

- he opened the account after seeing advertisements and had read that Chase was cryptocurrency friendly
- he had control of the account he was sending the funds to and nobody else had access to it
- he hadn't spoken to a friend or family member about the transfer
- he was happy he was paying a genuine provider [of cryptocurrency]
- he had been making cryptocurrency transactions for the last year/year and a half

Mr W was advised to be cautious of guaranteed and high returns, advertisements on social media offering high returns, and of suspicious contact out of the blue. He was also advised that cryptocurrency was high risk and speculative, that usual protections don't apply, he should be prepared to lose his money, and that it was his responsibility to do due diligence. Some of these warnings were relevant to Mr W.

I don't think Chase went far enough when it spoke to Mr W. He wasn't asked why he was buying cryptocurrency, whether he had been contacted by anyone offering an investment opportunity, how he found out about investing, how the funds would be used once they reached his cryptocurrency account, or what he was expecting to receive. Mr W was asked whether he had checked the FCA register to ensure he was dealing with an authorised firm

and whether he had checked the FCA warning list. His response was, “Yes, I’m happy it’s a legitimate provider”. It’s clear from this response that Mr W was saying the exchange he was sending funds to was legitimate.

But I can’t require Chase to reimburse Mr W solely on the basis that its intervention didn’t go far enough. I need to go on to consider whether better intervention would have made a difference and prevented Mr W’s loss. Based on the evidence I have, I’m not satisfied that Mr W would have answered further probing questions truthfully or that Chase would have uncovered the scam.

In interactions with an electronic money institution Mr W also used to make scam payments, Mr W repeatedly provided misleading responses and said that he wasn’t being advised or assisted by anyone and wasn’t moving funds on from his cryptocurrency account. Mr W received multiple warnings which set out the essential features of a cryptocurrency investment scam but moved past all these warnings and proceeded to make the payments. Mr W was being heavily coached and was following instructions to mislead firms he was making payments from even when told of the importance of providing honest responses and that scammers would advise him to give incorrect answers.

Given that Mr W repeatedly said that nobody was advising him or involved, I don’t think that if Chase had asked additional questions, he would have revealed that he was investing through B, meaning that Chase could not have checked the FCA register as Mr W has suggested. While I agree that banks shouldn’t accept responses to scam prevention questions at face value, I think it’s more likely than not Chase would have been prevented from understanding the real position in this case.

I also can’t agree with Mr W that the payment I am considering in this case was made at an early stage in the scam when his relationship with the scammer hadn’t developed. It’s very clear from the emails Mr W has provided that the payment Mr W made from his Chase account wasn’t part of his initial investment but was made to withdraw funds he had been told had accumulated. So, the scammer had built a trusting relationship with Mr W, who was under their spell.

Overall, whilst I’m sorry Mr W has lost money in a cruel scam, I can’t fairly require Chase to reimburse him.

My final decision

For the reasons stated, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr W to accept or reject my decision before 21 May 2026.

Jay Hadfield
Ombudsman