

## The complaint

Mrs H complains that J.P. Morgan Europe Limited, trading as Chase, wouldn't allow her to make a large purchase on her credit card which effectively forced her to make the purchase using her debit card, to her financial detriment.

## What happened

In July 2025, Mrs H applied for a 0% interest purchase credit card with Chase. She was approved for a £15,000 credit limit. Mrs H says that before using the card she told Chase that she intended to use the credit facility to buy a vehicle, and she asked whether Chase needed any details of the merchant or the timing of the transaction in advance. In response, Chase told Mrs H that no advance notification or further action was needed.

On 8 August 2025, Mrs H attempted to use her Chase credit card to make a £15,000 payment to a car dealership. The transaction was immediately declined. A second attempt was also declined. Mrs H then contacted Chase and completed their security checks. Chase told her the transaction had been flagged by their fraud-prevention systems and advised her to try the payment again. Mrs H attempted the transaction for a third time while on the call, but this was also declined. She was then advised to attempt a lower amount. A further attempt for £14,000 was made but this was also declined.

Because she was at the dealership and needed to complete the purchase, Mrs H transferred £15,000 from her Chase savings account into her Chase current account and completed the transaction using her debit card. That debit card transaction was approved without issue.

Chase's internal notes show that each attempted credit-card transaction triggered a fraud alert. Although Chase's specialist removed the block each time and marked the transaction as not fraudulent, further attempted payments continued to be declined. Chase explained that their automated systems reapplied the block due to factors such as the value of the transaction, the newness of the card, and the frequency of attempts in a short period. They said that once the system flagged the transaction as high-risk, the payment could not be forced through even after manual review.

Mrs H wasn't happy about what had happened and raised a complaint with Chase. Mrs H explained that she had obtained the credit card specifically to avoid using her savings and to continue earning interest on her savings balance. She argued that the repeated declines, despite her contacting Chase and despite successfully completing the payment via her debit card moments later, had caused her financial loss, because she was no longer earning interest on £15,000 of her savings. And Mrs H also felt that her complaint was not handled well by Chase as she had to contact them several times during the following weeks seeking updates.

Chase issued their final response to Mrs H's complaint on 26 August 2025. In that response, Chase explained that the transaction had been blocked in line with their fraud-prevention measures and that these controls could sometimes prevent payments even after a specialist had reviewed them. Chase said the system had acted as intended and that no error had occurred and didn't uphold the complaint.

Mrs H didn't accept the position that Chase had taken and referred her complaint to this service. She said Chase's systems were inconsistent and unreasonable, and that the firm should compensate her for the savings interest she lost because of needing to use her own funds. She also said that Chase should have been able to allow the transaction once she had verified it, and that allowing the identical transaction on her debit card showed the block was unnecessary.

One of our investigators looked at this complaint. But they didn't feel that Chase had acted unfairly towards Mrs H as she felt was the case. Mrs H didn't agree, so the matter was escalated to an ombudsman for a final decision.

### **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.

I issued a provisional decision on this complaint on 3 March 2026 as follows:

*I understand that, like all financial institutions, Chase has an obligation to protect its customers from fraud and unauthorised transactions. Firms are entitled to block or delay payments where they reasonably believe a transaction may be suspicious. But importantly, any systems or controls used to protect customer accounts must be applied fairly, proportionately, and in a way that takes into account the specific circumstances of the customer and the information available to the firm at the time.*

*In this instance, I feel that Mrs H took reasonable and proactive steps to make sure the transaction could go ahead without issue. This includes that Mrs H told Chase in advance that she intended to use the full credit limit to purchase a vehicle, and she asked whether any details were required for pre-authorisation. Additionally, when the transaction was declined, she contacted Chase quickly, passed the security checks, and had the transaction manually cleared several times by Chase's own specialist staff.*

*Despite this, the transaction continued to be declined. Chase's own internal notes make clear that although the specialist removed the block at each stage, the system reapplied it automatically within minutes. Chase says this was because the transaction matched certain risk patterns, such as being a high-value purchase on a newly-opened card, and because several attempts were made in a short period. But Mrs H only attempted those repeated transactions because Chase had instructed her to do so. And once Chase had verified the transaction directly with her, I think it was reasonable for her to expect that the payment would go through.*

*Chase also explained that the restrictions on credit-card payments are different from those for debit-card spending. While that may be true in a general sense, I don't think it adequately explains the inconsistency here. Mrs H's debit-card transaction, for the same amount, to the same merchant, within minutes of the declined credit-card attempts, was processed without issue. If Chase genuinely believed the transaction was suspicious, it would be reasonable to expect similar concerns to arise regardless of whether the payment was made from a debit or credit account. In this situation, the difference in outcome appears to reflect the limitations of Chase's internal systems rather than a genuine assessment of fraud risk.*

*I also note that Chase themselves acknowledge that had Mrs H remained on the "approve" list after the first alert, it was likely the subsequent declines would not have happened. This suggests that the repeated blocking was not inevitable, and that the system design contributed directly to the failed transaction.*

*Mrs H wasn't told that the system could override a manual clearance and reapply a block, or that the representative she spoke to couldn't guarantee that an authorised transaction would be allowed to proceed. I don't think it was fair for Chase to place her in a position where she was relying on assurances that the firm knew, or ought to have known, couldn't reliably be honoured. However, I feel that these points are largely secondary, with the primary point here being that Chase should have allowed the transaction on the credit card to complete. And I don't feel it's fair or reasonable to expect Mrs H to bear the financial consequences of Chase's systemic issues.*

*Because of Chase's actions, Mrs H was unable to complete the purchase using the credit facility she had obtained for that purpose, and she had to use her savings instead. This resulted in a clear financial loss, as she missed out on the interest she reasonably expected to earn had her savings remained untouched during the promotional period. That loss was foreseeable, and it flowed directly from Chase's failure to process a legitimate, verified transaction.*

*Taking all of this into account, I don't think Chase acted fairly or reasonably in declining the transaction, nor do I think they did enough to prevent the detriment that Mrs H ultimately suffered. For those reasons, my provisional decision is that I uphold this complaint in Mrs H's favour and provisionally instruct the following – that Chase must calculate how much interest Mrs H would have received, had the £15,000 remained in her savings account for the full remaining duration of the 0% interest rate promotional period on the credit card, and pay that amount to Mrs H. Chase must also pay a further £200 to Mrs H as compensation for the frustration and inconvenience that she'd incurred here.*

*In arriving at this £200 compensation amount I've considered the impact of Chase's unfair actions on Mrs H alongside the general framework this service uses when assessing compensation awards, details of which are available on this service's website. And, having done so, I feel that £200 is a fair amount.*

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Chase responded to my provisional decision and confirmed that they were in acceptance of it. Mrs H also responded and reiterated that she was primarily seeking a lump sum payment to cover the cost of the interest she would have earned on the £15,000 from the day she made the payment to the day the 0% interest balance was due to be paid in full, which is one of the instructions I gave to Chase in my provisional decision.

As such, I see no reason not to issue a final decision here whereby I uphold this complaint in Mrs H's favour on the basis described in my provisional decision, and I therefore confirm that my final decision is that I do uphold this complaint in Mrs H's favour on that basis accordingly.

### **Putting things right**

Chase must calculate how much interest Mrs H would have received, had the £15,000 remained in her savings account for the full remaining duration of the 0% interest rate promotional period on the credit card, and pay that amount to Mrs H

Chase must also pay a further £200 to Mrs H as compensation for the frustration and inconvenience she's incurred.

**My final decision**

My final decision is that I uphold this complaint against J.P. Morgan Europe Limited, trading as Chase, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 15 April 2026.

Paul Cooper  
**Ombudsman**