

The complaint

Miss N complains that J.P. Morgan Europe Limited (trading as Chase) won't refund her losses from a scam.

What happened

Miss N was the victim of an impersonation scam, during which she was tricked into making a card payment to a merchant for £3,404.94. Other payments were attempted from her Chase account but these weren't successful.

Chase declined to refund her losses and rejected her subsequent complaint that it ought to refund her. When the matter was brought to our service, our investigator agreed that Chase had handled the matter fairly. In summary, they didn't think it ought to have done more to prevent or recover her losses from the scam.

Miss N disagreed and asked for an ombudsman's decision. In summary:

- She highlighted that her responses to Chase's interventions weren't relevant as they happened after the payment in dispute – and that this was a result of being manipulated and coached by the fraudster.
- She considered the payment and the activity beforehand to be unusual, and she said that the use of a legitimate merchant didn't preclude fraud. So she questioned whether Chase ought to have done more.
- She noted Chase didn't try to recover the funds from the merchant – either directly or via a chargeback claim.
- The scam happened at a particularly vulnerable time, and she was panicked by the situation. When she realised something was amiss, she quickly notified Chase but didn't hear back for a while.
- She requested Chase's risk assessment for the transaction.

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.

Having done so, I've reached the same conclusion as our investigator for these reasons:

- It's not disputed that Miss N was the victim of a cruel scam. My role is to decide whether it's fair to say that Chase, as her bank, ought to be responsible for her losses.
- While there are rules that mean victims of scams ought to be refunded in certain circumstances, there's no general expectation for a firm like Chase to provide a refund. For a card payment like the one in dispute, a customer is generally responsible for a payment they've authorised.

- Here, while I recognise Miss N was tricked, the correct card details were used and the payment was approved through her Chase app. So I'm satisfied that the payment was fairly regarded as authorised.
- I've then considered whether Chase ought to have recognised that the payment presented a risk of fraud and stepped in before it was made.
- I realise this must have been a lot for Miss N to lose, but I don't think the value ought to have concerned Chase. That's bearing in mind the number of payments of this size a firm like Chase processes and the impracticalities of stopping every similar payment.
- I've also reflected on the activity shortly beforehand – namely, the incoming payments from one of Miss N's other accounts. I'm mindful that it seems plausible someone would top up their account before making a payment, and that this would probably happen in quick succession. So I don't think this ought to have stood out as particularly unusual.
- I've also noted that this payment went to a legitimate merchant that ostensibly didn't carry an elevated risk of fraud. While this didn't preclude fraud, it meant the destination wasn't something that I'd have expected to have alarmed Chase.
- Taking this all into account, I think it was reasonable for Chase to process this payment in line with Miss N's instructions without carrying out further checks. After all, it must balance protecting customers from fraud with its legal duty to process payments they instruct it to make.
- In saying this, I've noted Chase did step in with later payments. But as these weren't successful and didn't cause Miss N a loss, I don't think I need to comment on what happened.
- I've also seen Miss N's request for Chase's risk assessment of the transaction. But that's very sensitive information that I wouldn't expect it to share. And ultimately, its assessment doesn't change whether I think it ought fairly to have stepped in.
- As well as considering whether Chase ought to have prevented Miss N's losses, I've also looked at whether Chase could have done more to recover them. I recognise that Miss N reported the matter quickly. But I don't consider the payment could've been stopped by Chase, however fast they acted, as the payment had been authorised and the merchant had already been promised the money.
- However, given it was a card payment, I would have expected Chase to consider whether it was worth making a chargeback claim. This is a voluntary scheme run by the card issuer that can provide a refund in limited circumstances. But I don't think any of those circumstances apply here — namely because the payment was authorised, and the merchant likely provided the services, even if they didn't benefit Miss N.
- I realise Miss N would still have liked Chase to have tried this option, or to have followed the matter up with the merchant directly. But I wouldn't reasonably expect that of a firm. Instead, I think it's fair that it only pursues recovery where there was a reasonable prospect of a chargeback claim succeeding. For the reasons I've explained, I don't think that was the case here.

- In making my decision, I want to reassure Miss N that I've considered her vulnerable circumstances and how they made her susceptible to the scam. But I can't see that Chase knew about these when the payment happened, to say that it ought to have acted differently. And I can only tell it to put things right if I'm satisfied it did something wrong that caused these losses. So this doesn't change my mind about what's a fair outcome.
- Taking this all into account, I don't think Chase are responsible for putting right Miss N's losses. I realise this decision will be disappointing and upsetting news for her, particularly as the victim of a horrible scam. To be clear, this isn't to blame her for what happened. But equally, I don't think there are fair reasons to blame Chase either. So I've not upheld the complaint against it.

My final decision

For the reasons I've explained, I don't uphold Miss N's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 28 April 2026.

Emma Szkolar
Ombudsman