

The complaint

Mr W complains about J.P. Morgan Europe Limited, trading as Chase, placing an unfair limit on withdrawals causing him a financial loss.

What happened

I issued a second provisional decision on 21 March 2024, and this is what I said:

I've considered the relevant information about this complaint.

Following additional information from Chase and financial loss confirmation from Mr W, I wanted to give everyone a final chance to reply before I issue my final decision.

I'll look at any more comments and evidence that I get by 11 April 2024. But unless the information changes my mind, my final decision is likely to be along the following lines.

The complaint

Mr W complains about J.P. Morgan Europe Limited, trading as Chase, placing an unfair limit on withdrawals causing him a financial loss.

What happened

I issued my provisional decision on 12 February 2024, and this is what I said:

I've considered the relevant information about this complaint.

Based on what I've seen so far, there will be a different outcome to what our investigator proposed. Before I issue my final decision, I wanted to give everyone a chance to reply.

I'll look at any more comments and evidence that I get by 11 March 2024. But unless the information changes my mind, my final decision is likely to be along the following lines.

The complaint

Mr W complains about J.P. Morgan Europe Limited, trading as Chase, placing an unfair limit on withdrawals causing him a financial loss.

What happened

On 8 July 2023, Mr W discovered there was a £25,000 withdrawal limit on Chase's system and, as he wanted to move £200,000 to gain a better return, he contacted Chase's customer services team.

Chase's representative agreed to increase the withdrawal limit to £100,000 but informed Mr W that he would need to contact them again for each withdrawal more than £25,000.

Mr W was dissatisfied so he asked to speak to Chase's complaints department. He found that he couldn't withdraw the agreed £100,000 and wasn't able to speak to a representative until 10 July 2023.

Mr W says the Chase representative was dismissive and he was informed that the £100,000 withdrawal amount was a one off and he could subsequently only withdraw amounts of £25,000.

Mr W complained to our service, seeking lost income of approximately £3,000 and compensation. However, our investigator didn't uphold his complaint.

As Mr W remains dissatisfied, this case has now been referred to me to look at.

What I've provisionally 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 have a different view to the investigator, and I'll explain why.

I should first explain that I can't tell a business to make alterations to their policies, procedures or systems. I say this because we aren't the regulator of the financial services industry. Also, there are rules (known as DISP Rules) laid down by the Financial Conduct Authority which means complaint handling is not a regulated activity. So, specific complaints about how Chase manage complaints, can't be considered by our service.

However, what I can do is consider each individual case and, where I think a business hasn't acted fairly and reasonably in the circumstances, decide what should be done to put right any financial or non-financial losses that a consumer has experienced.

From reviewing the call transcripts, I can see evidence that Chase had agreed to let Mr W withdraw £100,000 on 8 July 2023. So, I made enquiries about why this wasn't possible. Chase said:

'This request should have been set for 8 July 2023 rather than the 10 July 2023 therefore I accept there has been a service failing'.

In order not to lose out on an investment opportunity, which had a payment deadline of 14 July 2023, Mr W needed to withdraw an additional amount of approximately £140,000. However, the initial £100,000 on 10 July 2023 followed by daily withdrawals of £25,000 meant he wouldn't be able to meet the investment deadline.

I looked at Chase's Terms & Conditions, which they say Mr W would've accepted when joining Chase UK and found these do state there are limits. However:

- a) There is no detail on the limits within the Terms & Conditions
- b) Temporary increases of up to £100,000, which would've allowed Mr W to meet his payment deadline with 3 withdrawals between 10 and 12 July 2023, appear possible
- c) Chase say they have a specialist team to approve limits

So I could understand how Chase determine limits, I requested information on Chase's policy, procedure and process, and asked them:

- Why it was possible to increase the £25,000 limit to £100,000 on the 8 July 2023 (for 10 July 2023) but only as a one off
- To explain the following 8 July 2023 webchat message supplied by Mr W, and not by Chase, which Mr W says 'confirms that I could have my limit raised "upon request", not as a one off'.

Chase's 8 July 2023 webchat message

'I have just approved the request made by the previous specialist. You will receive a text shortly confirming your limit increase to 100000.00GBP for 10/07. I am in tomorrow and Monday 0630-1630, we can raise limits up to 200000.00GBP upon request, if you would like your limit request amended, please get in touch and ask specialist to read chat. They will reach out to me and I will resolve it'.

However, Chase didn't provide the information requested.

I think it reasonable for Chase to have both limits and exceptions. But, based on the above, I'm not satisfied that they have applied the exceptions fairly and consistently here. And I think Mr W should've been able to withdraw the funds he needed for his investment by the 12 July 2023, which would've enabled him to complete his investment by 14 July 2023.

Regarding Mr W's financial loss this appears to be US\$4,328. As Chase haven't provided information to explain the above webchat message and how they reasonably applied their exception policy, procedure and process, I require Chase to cover Mr W's loss here.

However, in this case, although I'm persuaded from Mr W's evidence that he intended to make this investment and was prevented from doing so, I will need him to provide full detail from his investment company as to how they've arrived at this loss figure including calculation dates. Also, information on any deductions such as applicable fees. In addition, information to show what happened to Mr W's funds after withdrawal and whether, to mitigate his loss, his funds were earning alternative interest in the period Chase have calculated there to have been a financial loss.

Also, I'm persuaded there has been a loss of confidence and expectation here. So, I think Chase should pay Mr W compensation for this and the distress and inconvenience caused. Assessing compensation isn't an exact science and our approach when making awards for non-financial loss is detailed on our website and tends to be modest. Having reviewed the above events together with our compensation guidance, I consider £250 to be a fair and reasonable amount of compensation.

So, having considered the above and all the information on file, I'm upholding this complaint and I require J.P. Morgan Europe Limited, trading as Chase, to pay Mr W £250 compensation and cover his financial loss of up to US\$4,328, where this can be evidenced.

My provisional decision

For the reasons I've given above, it's my provisional decision to uphold this complaint. I require J.P. Morgan Europe Limited, trading as Chase, to pay Mr W £250 compensation together and cover his financial loss of up to US\$4,328, where this can be evidenced.

I'll look at anything else anyone wants to give me – so long as I get it before 11 March 2024.

Unless that information changes my mind, my final decision is likely to be as I've set out above.

What I've provisionally 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 would like to thank both parties for their detailed responses.

Mr W provided information on an Incentive Scheme that he wasn't able to complete due to being unable to withdraw his funds. And this evidenced his US\$4,328 financial loss.

Chase said the following:

- *They'd reviewed the matter again and 'now have a different understanding of events and believe Chase UK have acted fairly with the initial request dated 8 July 2023 there was no timing issues it was solely due to the request being received during the weekend whilst our specialist team were not operating. Please disregard my previous response as explained on our phone call and I would like to apologise that this wasn't referred to you in my previous response'.*
- *'Chase UK have acted fairly and I believe that our specialists follow the correct process, we did inform the customer of our processes as per the attached file dated 8 July 2023. The customer's request was raised on 8 July 2023 on the day of their request. However, this was not active until 10 July 2023 due to the request being raised on a Saturday which is a non-working day, we did inform the customer of this via a chat later that day to state that this would become active on Monday 10 July 2023'.*
- *'On review of this new information there has been no bank error on the date of 8 July 2023 and we did provide a temporary payment increase of £100,000.00 as soon as we possibly could have taking the working days into consideration, however, this request was only active for 24 hours it then revert back to the limit of £25,000.00 after 24 hours as per the limits stated within our General Terms & Conditions'.*
- *'We will be willing to provide Mr W £250.00 as a distress and inconvenience payment as the customer did receive poor service on the 10 July 2023 from one of our complaint handlers and feedback will be given to this individual to prevent this for happening again in future and to improve our overall customer experience'.*
- *'The customer was told inaccurate information during their telephone call on 10 July 2023 as the complaint specialist told the customer that the maximum amount for a payments increase was £100,000.00 however this is not factual Chase UK could have increased the amount to 200,000.00 had the complaint handler referred this information to the PaymentsTeam. Chase UK did provide the option of increasing the request to £200,000.00 via chat on 8 July 2023 but unfortunately the customer did not respond and the £100,000.00 was approved'.*
- *'Overall, I still believe Chase UK have failed with customer service which is the rationale behind providing £250.00 as a distress and inconvenience payment I believe this is a fair resolution as we did provide a payments increase at our earliest opportunity and did give the customer the option on the 8 July 2023 to increase the limit to £200,000.00 but received no response on that date'.*

Due to the above response from Chase, I reviewed everything again.

Webchat text shows that on 8 July 2023:

- *Mr W expressed his dissatisfaction that he couldn't gain access to all his funds because Chase applied a £25,000 withdrawal limit*
- *A temporary increase from £25,000 limit to £100,000 was agreed*
- *It was arranged for Mr W to speak to a Chase complaints representative on 10 July 2023 because:*
 - *He was dissatisfied with the above*
 - *His limit didn't increase to £100,000 on 8 July 2023 as indicated*
- *A second more senior or experienced Chase representative said:*
 - *'The complaints department will address all of your concerns when they call you'.*
 - *Then 'You will receive a text shortly confirming your limit increase to 100000.00GBP for 10/07. I am in tomorrow and Monday 0630-1630, we can raise customer limits up to 200000.00GBP upon request, if you would like your limit request amended, please get in touch and ask specialist'*

Mr W did see this last bullet point but said:

'The bank explicit stated it would increase my limit on request and then reneged on that, saying it was a one off'.

So, I again listened to Mr W's 10 July 2023 call with the Chase complaint specialist as he was going to address all his concerns. The complaints specialist:

- *Confirmed the increase from £25,000 to £100,000 on 10 July 2023 was a one off*
 - *He offered an apology and said it was for 'a one-time courtesy and we can't increase it anymore'*
- *Declined Mr W's requests:*
 - *For a temporary increase to £200,000*
 - *For a further increase of £100,000 on 11 July 2023*
- *Confirmed Mr W could only withdraw £25,000 per day after the one-off increase of £100,000*

Mr W challenged Chase's representative on the above but the answers he received from the representative, whom he was told would address his concerns, were categoric. So, I can fully understand why he thought this was the final position and Chase had reneged on their earlier messages.

I appreciate Chase are saying that although Mr W was given incorrect information, they did offer him £200,000 on 8 July 2023 and he didn't respond. However, considering:

- *Mr W wanted access to all his funds*
- *This £200,000 webchat message from Chase was after it was agreed Mr W's next step was to complain and get clarity on Chase's limits*
- *The representative he spoke to is a 'complaints specialist' who I would've expected to either know or check the accuracy of information prior to categorically confirming Chase's limits to a complainant who disagreed and was challenging him*
- *Mr W clearly made a request for £200,000 on the call with the complaint specialist but this was declined*

I still don't think Chase have treated Mr W fairly here.

If the complaints specialist hadn't given Mr W incorrect information Mr W would've been able to withdraw sufficient funds and wouldn't have suffered a financial loss of US\$4,328.

So, having considered everything again, I'm still upholding this complaint and I require J.P. Morgan Europe Limited, trading as Chase, to pay Mr W:

- *£250 compensation for distress and inconvenience*
- *US\$4,328 to cover his financial loss*

My provisional decision

For the reasons I've given above, it's my provisional decision to uphold this complaint. I require J.P. Morgan Europe Limited, trading as Chase, to pay Mr W:

- *£250 compensation for distress and inconvenience*
- *US\$4,328 to cover his financial loss*

I'll look at anything else anyone wants to give me – so long as I get it before 11 April 2024.

Unless that information changes my mind, my final decision is likely to be as I've set out above.

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 didn't receive a response from Chase.

Mr W responded to say he didn't have anything further to add. He did though comment on Chase's admissions and expressed disappointment that they still refuse to accept liability for compensation.

As no further arguments or evidence have been produced in response to my provisional decision, my view remains the same.

I therefore adopt my provisional decision and reasons as my final decision.

My final decision

My final decision is to uphold this complaint against J.P. Morgan Europe Limited, trading as Chase, and I require them to pay Mr W:

- £250 compensation for distress and inconvenience
- The GBP equivalent of US\$4,328 to cover his financial loss

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 14 May 2024.

Paul Douglas
Ombudsman