

The complaint

Mr D complains that J.P. Morgan Europe Limited trading as Chase declined his application for an account on more than one occasion.

What happened

Mr D says that his application for a Chase account was declined. He thought this was due to logging in and out issues with the Chase application (app), so he reapplied for the account, but his application was declined again. Mr D made a complaint to Chase.

Chase did not uphold Mr D's complaint. They said that they tried to call him for more information on three separate days between 26-28 March 2023, but they couldn't reach him. They said that using the information they had, they raised an appeal case about this decision but unfortunately his appeal was declined. Chase said their decisions are also based on information they hold from credit agencies, and they also use information provided to them by other third parties such as UK fraud prevention services, that could be affecting his eligibility. Mr D brought his complaint to our service.

Our investigator upheld Mr D's complaint. He said that Chase has informed him of a potential solution, of which it appears a component of the process requires Mr D's consent. He said while Chase attempted to contact Mr D, they did not make it clear in their final response that they can potentially have a solution to the issue Mr D faces. He said Chase hadn't invited Mr D to contact them in their final response to discuss a potential resolution, and given the distress Mr D had, he felt Chase should pay Mr D £50 compensation and he encouraged Mr D to contact Chase to discuss reapplying for the account if he wished to do so.

Chase asked for an ombudsman to review Mr D's complaint. They said there was no bank error with the declined applications as these were declined correctly. But as an exception for Mr D, based on the issues he's had, they have said if Mr D would like to reapply with Chase, then he can get in contact with them as they have left a note on their system with an update.

As my findings differed in some respects from our investigator's, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I must make Mr D aware that I won't be able to give him the exact reason his applications have been declined previously. I know this may be frustrating for Mr D, but Chase's account application and security measures are commercially sensitive, and they are not obliged to divulge these to a customer or potential customer.

I have listened to a call Mr D had with Chase after he had checked the information with the credit reference agencies and a fraud prevention service, where he appealed the recent decline. The call handler logged the appeal for Mr D.

I can confirm that Chase did follow their process in declining these applications. So I can't say they made an error here. I know the experience of the declined applications was frustrating for Mr D, and I can sympathise with his position here, but as Chase made no error in declining the applications, then I'm not persuaded that Chase have made any errors which warrant any compensation to be paid.

But what Chase has said they might be able to do is to make an exception if Mr D still wants an account with them, then he can get in contact with them, as they have left a note on their system with an update. I can't guarantee that the account could be opened for Mr D as this would be a decision that is ultimately Chase's decision to make, but I'm satisfied that they are looking at an exceptions process to their normal procedures.

As this is an exceptions process based on the complaint Mr D brought to our service, I can't say that this is something that should have been brought up on an earlier phone call he had with Chase, as the staff he had spoken to were following their process. Chase are trying to look at an exception since he brought his complaint to our service, and this is when Chase said when they received correspondence from our service they attempted to contact Mr D to see if they could use an exception, but they were unable to contact him. This is why this wasn't included in their final response to him, as the exception was made after he brought his complaint to our service.

So I'm persuaded that this was why they told our service about the exception so we could make Mr D aware of this if he wished to contact them to reapply for an account with them based on the note they have now added to their system. So Mr D may wish to contact Chase to reapply – and this would need to be his decision to do this, but I don't intend to ask Chase to do anything further.”

I invited both parties to let me have any further submissions before I reached a final decision. Mr D did not respond to the provisional decision. Chase responded to the provisional decision, and they said they had no further comments.

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.

As neither party have provided me with any further information to consider, then my decision and reasoning remains the same as in my provisional decision.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 15 December 2023.

Gregory Sloanes
Ombudsman