

The complaint

Miss C complains that Capital One (Europe) plc didn't stop gambling transactions on her account.

What happened

Miss C opened a credit card account with Capital One in March 2020.

She's unhappy because Capital One didn't stop transactions made to casinos and subsequently closed her account when she tried to dispute the transactions.

Miss C complained to Capital One. She asked them to charge the transactions back and reinstate her account.

Capital One didn't uphold the complaint. It said it couldn't pursue a chargeback because the payments had been made to casinos and there were no chargeback or Section 75 rights in relation to gambling transactions.

Miss C remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. She said the merchant category code for the transactions didn't indicate that the transactions were gambling transactions and Miss C had verified the transactions as genuine. The investigator said Capital One hadn't acted unfairly in the circumstances.

Miss C didn't agree. She said the transactions had been with overseas casinos who were masquerading as clothing companies and using an incorrect merchant code so that credit cards could be used.

Because Miss C didn't agree I've been asked to review the complaint.

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.

Miss C has said that she made the payments to a casino but because the casino used an incorrect merchant code it looked as if she was purchasing fashion items and she was allowed to use her credit card.

Capital One has said that the merchant codes didn't reflect gambling transactions, so the gambling block on the account wasn't activated.

Based on the available information, I can't say that Capital One was aware – or ought to have been aware – that the transactions were gambling transactions. The merchant codes didn't reflect gambling transactions. Therefore I'm unable to say that Capital One made an error by not blocking the transactions.

There are no chargeback or Section 75 right in relation to gambling transactions. Miss C's transactions were with casinos for gambling. Therefore I'm unable to say that Capital One has made an error by declining the chargeback claim.

I appreciate that Miss C is disappointed that her account has been closed. However, the terms and conditions state that Capital One can close the account at any time. Miss C agreed to these terms and conditions when she took out the card.

Based on what I've seen I'm unable to say that Capital One has made an error or treated Miss C unfairly. I can't uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 30 July 2025.

Emma Davy
Ombudsman