

## **The complaint**

Mr D complains that Monzo Bank Limited won't refund to him the payments that he made for two digital instructional videos.

## **What happened**

Mr D bought two digital instructional videos from a merchant that he paid for using his Monzo Bank account and £515.02 was debited from his account in January 2024 and £516.94 was debited from his account five days later in February 2024. Mr D says that the merchant offered a refund provided that the content hadn't been downloaded. He says that he wasn't satisfied with the videos and hadn't downloaded any of the content so he contacted the merchant to request a refund. He says that the merchant didn't respond so he claimed a refund of the two payments from Monzo Bank.

Monzo Bank applied temporary credits to Mr D's account in February 2024 and made chargeback claims to the merchant for the two payments. The merchant defended the chargebacks so the temporary credits were removed from Mr D's account in June 2024. Mr D complained to Monzo Bank and it wrote to him in October 2024. It said that there had been a breakdown in communication and some misunderstanding about which dispute was being looked into as Mr D had previously raised other disputes for the same merchant which were rejected due to a deadline being missed. It apologised for those issues and offered to pay £120 compensation to Mr D. He didn't accept that offer and complained to this service.

His complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that she wasn't persuaded that Monzo Bank had acted incorrectly or treated Mr D unfairly by preventing him from getting his money back.

Mr D provided a detailed response to the investigator's recommendation and she considered his comments but said that she wasn't persuaded that Monzo Bank dealt with the chargebacks incorrectly or treated him unfairly. Mr D has asked for his complaint to be escalated to an ombudsman for a final decision. He says that he submitted clear evidence of the merchant's refund policy along with testimony confirming that no content was downloaded so he should have qualified for a refund. He says that the responsibility is being placed on him to provide additional evidence that the merchant agreed to refunds which he doesn't have and believes is unreasonable given the circumstances.

## **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.

If a consumer disputes a card payment, the card issuer may be able to make a chargeback claim to the merchant under the relevant card scheme to try to settle the dispute. There's no right for a consumer to require that a chargeback claim be made and the applicable scheme rules set out the disputes that can be considered and the time limits for making a claim. If the right to make a chargeback claim exists under the applicable scheme rules, and if there's a

reasonable prospect of success, I consider it to be good practice for a chargeback claim to be made. In this decision, I'm not deciding the merits of the disputed payments but whether or not Monzo Bank has dealt with the chargeback claims correctly.

Mr D disputed two payments that he'd made to the merchant. Monzo Bank says that the two disputes were automatically accepted by its decisioning system, were sent to the merchant to dispute and temporary credits were given. The merchant defended the chargebacks and said that Mr D had downloaded the content so wasn't entitled to a refund. Monzo Bank contacted Mr D in May 2024 and asked him to provide further evidence about the disputed payments. It said that if it received no response by the deadline set it would have to accept the challenge from the merchant and wouldn't be able to pursue a refund any further. It says that it was unable to take the case to arbitration as Mr D didn't respond within the timeframe and no further evidence was provided so it had no grounds to take the dispute further. The temporary credits were removed from Mr D's account in June 2024.

Mr D says that he submitted clear evidence of the merchant's refund policy along with testimony confirming that no content was downloaded so he should have qualified for a refund. Chargebacks claims are decided on the basis of the scheme rules and I consider that it was fair and reasonable for Monzo Bank to ask Mr D to provide further evidence about the disputed payments so that it could challenge the merchant's defence of the claims. When Mr D wasn't able to provide the further evidence that it had requested, I consider that it was fair and reasonable for it to conclude that it had no grounds to take the dispute further as there was no reasonable prospect of a challenge being successful.

Monzo Bank accepts that there was a breakdown in communication and some misunderstanding about which disputes were being looked into as Mr D had previously raised other disputes for the same merchant. It apologised for those issues and offered to pay £120 compensation to Mr D but he didn't accept its offer. I consider that Monzo Bank's response to the service issues that Mr D had experienced was fair and reasonable.

Other than those service issues, I consider that Monzo Bank has dealt with Mr D's chargeback claims fairly and reasonably, in accordance with the scheme rules and as I would expect it to. I'm not persuaded that it was required to do more to challenge the merchant's defence of the claims in these circumstances. It's clear that Mr D feels very strongly that Monzo Bank should be required to refund the payments to him, so I appreciate that my decision will be disappointing for him. I find that it wouldn't be fair or reasonable for me to require Monzo Bank to refund the two payments to Mr D, to offer him any further compensation or to take any other action in response to his complaint.

**My final decision**

My decision is that I don't uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 28 July 2025.

Jarrold Hastings  
**Ombudsman**