

The complaint

Miss N complains that The Royal Bank of Scotland Plc ("RBS") mishandled her request that it recover money she had paid to an online gambling site.

What happened

Between September 2024 and January 2025 Miss N made a large number of payments to an online gambling site. These totalled £6,173.37. She had concerns both the site and discovered that it wasn't regulated either in the UK or the country in which it was based. She concluded it was acting fraudulently. She contacted RBS and raised 13 chargeback requests using its online form.

RBS made the chargeback and as the merchant didn't respond the bank managed to recover £624.21. Miss N emailed RBS and asked that it recover the money she had spent on an additional 60 transactions. This email went to the wrong department and Miss N didn't use the bank's online form for chargeback requests. It appears the email was not forwarded on.

Miss N chased RBS and it let her know that the time limit for making chargebacks for the additional sums had passed. She made the following complaints:

- The bank failed to pursue the additional transactions.
- She had to spend too much time on the phone.
- RBS accused her of fraud.
- She was unhappy that the deadline for making further chargebacks had passed.
- She felt the bank had not properly explained the chargeback process.
- The resolution of her complaint took too long.

RBS rejected her complaint, but accepted that there had been delays in answering phone calls and paid her £30 compensation. Miss N brought her complaint to this service where it was considered by one of our investigators who didn't recommend it be upheld. She explained that under Mastercard's rules there was no basis for a successful chargeback and it had been fortunate that Miss N had recovered a small amount of the money she had deposited. Nor could she ask RBS to change its processes and so it was entitled to require customers use the appropriate form for making claims. As for being accused of fraud our investigator explained that given the large number of chargeback requests pursued by RBS it was not unreasonable of it to have had concerns about their validity. She also thought that while it took from 18 February until 6 June for RBS to answer her complaint it had kept her updated on progress.

Miss N didn't agree and said the bank should have sent her email to the right department. She also believed she should have been made aware that she needed to claim for each

transaction separately and if it had she would not have missed the 120 day deadline. She also pointed out that the transactions were fraudulent and so she should have been recompensed.

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 have every sympathy with Miss N, but I do not consider I can uphold her complaint. I will explain why.

The key issue at the heart of this complaint is the handling of Miss N's chargeback requests. Chargeback is a voluntary scheme run by the card scheme operator (here it's Mastercard) to process settlement disputes between the card issuer (such as RBS) – on behalf of the cardholder (Miss N) – and the merchant (here it's the online gambling business). It is not a legal right that the cardholder has.

Mastercard sets the chargeback rules and time limits for transactions made using the Visa card scheme. And it is Mastercard that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder's behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn't necessarily expect it to raise a chargeback.

Miss N had made a large number of transactions and the RBS form didn't allow for all of these to be included. I don't know why Miss N didn't complete a second or further forms to cover all the transactions she had made.

However, as our investigator has explained that under the chargeback regime gambling transactions are not eligible for a refund. The exclusions state the following:

'Gambling and Investment Chargebacks - An issuer has no chargeback rights related to the use or authorized transfer of such value or assets, or on any winnings, gains or losses resulting from the use of such value or assets.'

RBS made the chargeback and it was successful as the merchant didn't respond. That was fortunate for Miss N, but I cannot say that RBS would have been successful had it pursued a chargeback for the additional transactions. I appreciate Miss N's frustration at the bank not forwarding her email but I do not consider that would have a material impact on her claim. RBS is entitled to have its own processes and this is something on which I cannot comment.

As for the delays in phone calls RBS has accepted these were not as it would wish and has compensated Miss N accordingly. I don't think it need do more. Nor do I think it was unreasonable in its handling of Miss N's complaint. It took a little longer than the eight week standard, but it kept her informed and it covered a range of issues.

Overall, I cannot say that RBS did anything materially wrong

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 27 October 2025.

Ivor Graham
Ombudsman