

The complaint

Mr S complains Prepay Technologies Ltd who issue final responses on behalf of Monese allowed over £1,000's worth of gambling transactions to leave his account between March and April 2025.

What happened

Mr S has an account with Monese. He's a registered GamStop self-excluded individual.

Mr S says he was able to make payments to offshore gambling operators in March and April 2025 who were deliberately misusing merchant category codes to disguise the fact that these were gambling payments. He complained to Monese saying that these merchants had done this to circumvent regulatory controls and Monese's own gambling restrictions. He asked Monese to raise a chargeback under Mastercard's chargeback reason 4853.

Monese looked into Mr S's complaint and said that this was the second time he'd asked it to raise a chargeback in relation to merchants he believed were misusing merchant category codes. Monese said that it had already explained on the previous occasion that it wouldn't be raising a chargeback as he'd benefited from the goods / services provided by the merchant. And, when asked for evidence to support a claim under the chargeback code, he did not or could not provide it. Monese said that the only difference this time was that Mr S's dispute related to a different merchant. Mr S was unhappy with Monese's response. So, he referred his complaint to our service.

One of our investigators looked into Mr S's complaint and said that Monese wouldn't have blocked any of the transactions Mr S is complaining about – Monese actively blocks and transaction which uses a gambling merchant category code – as none of the merchants he was paying had used the gambling merchant category code. They didn't think Monese had acted unfairly not raising a chargeback either as the evidential burden under the chargeback reason Mr S wants to rely on is "very high" and Mr S hadn't provided the evidence to support his request that Monese had requested. So, they didn't recommend that this complaint be upheld. Mr S didn't agree with our investigator's recommendations and asked for his complaint to be re-examined in line with Mastercard's chargeback reason. He said he had evidence showing that the merchant had deliberately misclassified their transactions. He asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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.

Mr S has told us that his complaint isn't about whether or not he knew his payments were going towards gambling – he's told us that he knew he was gambling and wasn't misled. Instead he's told us that his complaint is about the merchant misusing merchant category codes and Monese not investigating or challenging this properly and placing an unfair burden on him. He's sent us evidence he says proves this. Having considered that evidence very carefully, I agree with our investigator that Monese didn't act unfairly or unreasonably in allowing these payments to go through – as the gambling merchant category code wasn't used – or unfairly or unreasonably when it said that it wouldn't raise a chargeback. In relation to this, it's important to remember that a customer cannot raise a chargeback as of right and that we'd only expect a business to do so if it had a reasonable prospect of success. Based on conversations we've had with Mastercard I'm satisfied that the chargeback reason Mr S wants to rely on isn't intended to help in a case like this and had Monese submitted a request in line with Mr S's wishes the chargeback wouldn't have been successful. I agree, therefore, that this complaint shouldn't be upheld.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 November 2025.

Nicolas Atkinson
Ombudsman