

The complaint

Mr R has complained about how Monzo Bank Ltd (Monzo) handled a refund claim he made.

What happened

Mr R made a series of transactions between August 2024 and March 2025 to an online gambling site, which I'll call 'Z', totalling £10,833.40. He says the site has since gone offline and he believes it was involved in deceptive practices. Mr R therefore feels he is due a refund for these transactions.

As Mr R was unable to resolve this further, he contacted Monzo in April 2025 to raise chargeback claims against Z. Monzo considered his complaint but said that as the claims were tied to gambling transactions, they were unable to progress these further under the card issuer rules.

Mr R didn't agree and raised a complaint with Monzo who issued a final response letter in May 2025 confirming their position. As Mr R remained dissatisfied, he brought his complaint to this service to consider.

Our investigator reviewed Mr R's complaint and noted that many transactions claimed for were outside the time limits set under the card issuer rules. For the ones remaining they agreed it wasn't possible for Monzo to progress the claim with a prospect of success due to the card issuer rules regarding gambling transactions.

Mr R didn't agree and said that the claim should still have been considered with regard to misrepresentation and breach of contract. He therefore asked for an ombudsman to issue a final decision on the matter.

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've read and considered the evidence submitted by the parties but won't comment on it all – only the matters I consider to be central to this complaint. This isn't intended as a discourtesy but reflects my role in resolving disputes informally.

It's important to note that Monzo aren't the provider of the services here – so in deciding what is fair and reasonable, I'm looking at their particular role as a provider of financial services. In doing so I note that because Mr R paid for this transaction using his Monzo debit card, a chargeback claim could possibly help him. So in deciding what is fair and reasonable I've focussed on this.

Chargeback

Chargeback is the process by which settlement disputes are resolved between card issuers and merchants. A consumer isn't entitled to chargeback by right. But where there are

grounds to raise one and it has reasonable grounds for success, it is good practice for one to be raised by the card issuer.

However, a chargeback isn't guaranteed to succeed and is governed by the limitations of the particular card scheme rules (in this case Mastercard). I've considered these to determine if Monzo acted fairly.

The Mastercard rules are very clear in their restrictions and under the section for 'Cardholder Dispute Chargeback' it says:

"For transactions in which value or assets are purchased for gambling, investment or similar purposes: This chargeback right is only available for a transaction in which the purchased value or assets failed to appear in the account agreed to between the cardholder and the merchant.

For the avoidance of doubt, chargeback rights are not available for

- 1. refunds, withdrawals or transfer requests,*
- 2. terms and conditions or account access,*
- 3. winnings, gains or losses, or*
- 4. use or subsequent use."*

In this particular case, there is no evidence that the purchased value or assets failed to appear in Mr R's account but rather that his concerns were about the service being misrepresented to him and that he didn't get what he paid for. He has also referred to the fact he believes the supplier breached their terms and conditions with regard to the fairness of the competition.

I must explain that I'm only looking at Monzo's handling of Mr R's chargeback claim – and whether there was any prospect of success had they progressed the claim further. In this case I can't say there would've been as the Mastercard rules are very clear that there are no chargeback rights for gambling terms and conditions or gambling use – which is what Mr R's complaint is tied to.

In addition, and as our investigator explained, the chargeback time limits are also clear when they say that they must be raised within 120 days from the date the services were provided.

Monzo's chat logs show these chargebacks were initially discussed on 24 April 2025 and so would've only covered transactions made within the 120 day time limit prior to that date.

This would've meant that many of the transactions were outside the time limit in any event and the ones in would've not been valid for a chargeback claim as they were tied to gambling transactions.

I therefore can't say Monzo did anything wrong in not progressing Mr R's chargeback claims further as there wouldn't have been a prospect of success due to these card issuer limitations.

I'd also like to elaborate that there is no scope for consideration of Mr R's points regarding breach of contract or misrepresentation then under chargeback for these reasons. These complaint points could fall under claims related to Section 75 of the Consumer Credit Act 1974 – but this would require the use of a credit card rather than a debit card. In Mr R's case, he used his Monzo debit card for these transactions and they are reflected in his personal account statement. His claim would therefore be limited to chargeback and thus the requirements of Mastercard's rules.

With all of this in mind, I know this'll be disappointing to Mr R but I won't be directing Monzo to any further actions with mind to their handling of his chargeback claim.

My final decision

For the reasons explained above, I don't uphold this complaint

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

Viral Patel
Ombudsman