

The complaint

Mr L complains that Monzo Bank Ltd (Monzo) has treated him unfairly about disputes raised for transactions made on his debit card for goods.

What happened

On 17 March 2025, Mr L purchased an item from a merchant who I'll call A. The item was described as follows, "2651pcs Ideas Super NES TV Game Console Model Moc Modular Building Blocks Bricks Action Figures Educational Children Toy 71374" (item 1) and cost £36.26. A operates a platform where it provides a transaction service between third party sellers and customers who can purchase goods from the sellers.

On 21 March 2025, Mr L made two further purchases from the same merchant. He bought "MINISO Mos Eisley Cantina Compatible with 75290 Building Blocks Bricks Educational Toys Birthday Christmas Gifts" (item 2) and "STAR WARS The Child 75318 Building Kit Christmas Gifts for Kids Birthday Present Bricks Constructor Toys for Children Boys Girls" (item 3) which cost a total of £60.73. On the same day Mr L also bought "2022 New MK44 Robot 76210 4049pcs Building Blocks Model MOC Creative Bricks Toys for Boys Adults Kids Christmas Gift Set" (item 4) and "1106pcs BB-8 Building Blocks Model Fit 75187 Toys for Children Christmas Gift" (item 5) which cost a total of £90.33.

Mr L says items 1, 2, 3 and 5 were delivered. Mr L says that these are all counterfeit products - he expected the building blocks to be of a particular and well-known brand however these were clearly not of this brand and were of cheaper quality. Mr L notes that pictures used on A's website and a "certified brands" marking on the listing (which promises that the seller would have obtained brand authorization and a signed genuine product commitment letter) made him believe that the items bought were from the well-known brand he was expecting. Mr L further says that item 4 has not been received at all.

On 29 March 2025 Mr L raised his concerns with Monzo who reviewed the disputes under the chargeback rules. Monzo raised disputes for all three transactions listed above under reason code 4853 – Counterfeit Goods. For item 4 in the dispute notification Monzo did mention that this item had not been received. A responded to defend the disputes, providing detailed descriptions of the goods and proof for all three transactions of delivery of the items. Monzo decided not to pursue the disputes any further. It informed Mr L that Mastercard ruled in favour of A and so Monzo couldn't take matters further for Mr L.

Mr L brought his complaint to our service. He said he contacted the well-known brand who confirmed the items are counterfeit and infringe on their intellectual property rights. Mr L also contacted A who confirmed the reported items violate its rules/policies and punitive measures would be taken. Mr L states Monzo should have taken the chargeback disputes further on receiving the initial defence information from A and that it hasn't understood the chargeback process. Mr L asked for a refund of the three transaction amounts and compensation for distress and inconvenience caused.

Our investigator reviewed the complaint and didn't find that Monzo had treated Mr L unfairly. She said she cannot see that the items were described as being from the well-known brand

Mr L was expecting. As such, she didn't find the disputes would have succeeded had Monzo pursued them further. Our investigator didn't find that the disputes were likely to succeed under any other reason code. She further said that there was not enough evidence to show that Mr L had not received item 4.

Mr L asked for an Ombudsman to consider his complaint. He said the listings had a certified brands marking and the product purchased is exclusive to the well-known brand he thought he was purchasing. Mr L says the evidence provided strongly shows the items are counterfeit and Monzo should have sent the disputes to arbitration by Mastercard. He also said Monzo failed to raise a separate "goods not received" dispute for item 4. So, the complaint has now been passed to me to decide.

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 would like to start by saying that I have provided a brief summary of the events that occurred above. I intend no discourtesy by this and can assure both parties that I have taken all the information provided into consideration when reaching a decision on this complaint.

In this decision, I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point, it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. Our rules allow me to do this, and this reflects the nature of our service as a free and informal alternative to the courts.

Chargeback is a voluntary scheme under which settlement disputes are resolved between card issuers and merchants, under the relevant card scheme. A card issuer will review the claim against the possible reasons for a chargeback and look at whether it would be able to make a successful claim for the customer. Card issuers do not have to submit claims and usually will only do so, if it is likely to be successful. We don't expect them to raise a claim if there is little prospect of success.

Counterfeit goods

To raise a dispute under this reason code, the cardholder would need to contact the issuer claiming that the goods were purported to be genuine but were counterfeit. This is the most accurate reason code to raise a chargeback dispute under for items 1, 2, 3 and 5. Monzo raised the chargeback utilising descriptions provided by Mr L in his dispute submissions. When A defended the chargeback, it provided the full item descriptions as outlined in the background section above. On review of this, Monzo decided that as the descriptions do not name the well-known brand Mr L thought they were, the claim was unlikely to succeed.

Having reviewed the items purchased, I do not find it unreasonable for Monzo to have declined to proceed with the dispute any further on this basis. The descriptions of the items do not mention the well-known brands, the prices for the items are significantly lower than what a reasonable person would expect to pay for items from the well-known brand, some of the larger items show they will not come in a box and the pictures do not say the product is of the well-known brand either. It is fairly clear that the items are imitations of items that the well-known brand sell and the descriptions and photographs on A's website do not say otherwise. As I can't see where the items claimed to be genuine building blocks of the well-known brand, I do not find the conditions of this reason code to have been met.

I appreciate Mr L feels the addition of a certified brands marking made him believe the items would be from the well-known brand. The question is – which certified brand was it

purporting to be? I cannot confidently say that it was purporting to be the well-known brand when the description and photographs do not say the same. As such, any assumption that the building blocks would be of the well-known brand are just that, an assumption.

I understand that A sent Mr L correspondence stating the sellers had breached its rules and policies and it would be taking punitive action. Despite it having taken this stance, it chose to defend the disputes when the chargebacks were raised. So, I don't find that this acknowledgement from A changes anything when Monzo were considering whether the disputes had any prospect of success.

I further note Mr L says he has provided evidence from the well-known brand confirming the goods are counterfeit. They very well may be in breach of the brands intellectual property rights (as they say), but this is not the matter I am required to decide on here. I am asked to consider whether Monzo made a reasonable decision in declining to proceed with the dispute any further. Based on the information available, I agree the disputes had low prospects of success as the item descriptions did not say they were the well-known brand, and therefore Monzo did not treat Mr L unfairly in declining to proceed with the disputes any further.

Goods not received

Mr L had made clear in his dispute submissions that items 4 and 5 were purchased together - item 4 was not received, and item 5 was counterfeit. Monzo could have split the transaction amount into two partial chargeback requests – one for goods not received for item 4 and one for counterfeit goods for item 5. It did not do so.

But overall, I don't find that this oversight makes any difference here. In its detailed description of the issue, which was sent to the merchant, it did say that item had not been received despite the reason code provided. In response, A provided evidence showing the item had been delivered to the correct address with detailed tracking information. By not providing this information to Mr L, Monzo deprived him of the opportunity to provide any further evidence in response but the extent of the delivery information provided meant that any dispute for this item also had little prospect of success. Therefore, even if Monzo had done things differently, I don't think it would have made a difference and resulted in a successful chargeback.

There have been some issues with Monzo's communication over the course of the claim. It told Mr L that Mastercard ruled in favour of A and so it could not pursue matters further, when the dispute did not get that far. Monzo should have done better. However, I don't find the impact of this to be significant as the claim progressed in a reasonable timeframe and Mr L is well-versed with the chargeback process was able to bring his complaint to our service for another review when he felt Monzo were not addressing matters correctly. Even if Monzo had done things differently, I find we would have reached the same outcome and so I am not recommending Monzo do anything to put things right for Mr L.

My final decision

My final decision is that I do not uphold Mr L's complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 1 December 2025.

Vanisha Patel
Ombudsman