

## **The complaint**

Mr G complains about a claim he made to Monzo Bank Ltd ('Monzo').

## **What happened**

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

Mr G bought several items from an online merchant using his Monzo debit card across four transactions. Mr G says he found out the goods he bought were counterfeit so he approached Monzo to raise a claim for a refund.

Monzo was able to recover refunds for all the transactions bar one. Mr G was unhappy about this and complained. Monzo said this was because the chargeback time limit had expired to raise the transaction. It would not agree to refund him for the transaction but paid him £50 for issues with its customer service.

Mr G was unhappy with this and referred his complaint to this service. He says that Monzo had time to process the claim – and had it done so he would have got the money back.

Our investigator did not uphold the complaint so it was passed to me for a final decision.

I issued a provisional decision on this case not upholding it which said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

Since our investigator issued his view I have asked both parties for more information. I know Mr G has questioned why this is necessary – however, it is for me as ombudsman to decide what information might be relevant to this complaint. In this case some of the questions I have asked Mr G pertain to the jurisdiction of this service – while others relate to the merits of his complaint about the claim.

Mr G has answered my question relating to whether he was purchasing the goods in respect of operating business. Due to the quantity of the same goods ordered and the apparent wholesale nature of the transactions it seemed this was likely the case. Mr G has clarified these were not business purchases but gifts in relation to a club he is part of. Noting that I am not upholding this case in any event, I am presently happy to proceed with my decision based on the limited information provided to date.

I am sorry to hear about Mr G's issue with the goods he paid for. However, it is worth noting that Monzo is not the supplier of the goods. So when looking at what is fair I consider its role as a provider of financial services – and what it fairly could have done to help with the information that was reasonably available to it at the time. As Mr M used a debit card to pay

for the goods in dispute I consider the chargeback scheme to be relevant here (noting that Section 75 of the Consumer Credit Act 1974 does not apply).

Chargeback is a way Monzo can raise a dispute on Mr G's behalf. However, it is not guaranteed to succeed and is governed by the rules of the card scheme. I understand the relevant card scheme is Mastercard in this case – so it is these rules I have taken into consideration.

Mr G's claim is in respect of alleged counterfeit goods. So I have considered the relevant time limits in the Mastercard chargeback rules for this type of dispute to see if Monzo was acting fairly in not progressing a chargeback here.

My starting point is the chargeback rule that is appropriate here based on Mr G's claim is that relating to 'Counterfeit Goods' which states the chargeback must be raised within 120 calendar days of the transaction processing date. Or when the transaction involved '*delayed delivery*' within 120 calendar days of the date the goods were received.

The transaction in question here was for £876.23 and made on 14 November 2024 (I will refer to this as 'Transaction A'). Therefore, to be valid in respect of the transaction date based time limit Mr G's chargeback would have to be raised within 120 days of 14 November 2024 - which is 13 March 2025. Because Mr G contacted Monzo on 26 March 2025 it was clearly out of time for Monzo to raise a chargeback here. And prima facie Monzo has not acted unfairly in not progressing it.

Mr G says in his case the time limit should instead run from the delivery date of the goods as it involved 'delayed delivery' under the chargeback rules. Mr G says this is the case because the supplier informed him items were not in stock but expected to come back in one week before they could be shipped. On this basis Mr G agreed to make the order.

I don't see where Mr G provided Monzo evidence of this at the time he raised his chargeback claim (nor is the evidence he has provided this service clearly in respect of Transaction A). But in any event, I don't agree this interpretation of delayed delivery is correct. The plain and ordinary interpretation of a delayed delivery would be where a delivery arrives later than the agreed delivery date. Not that it simply takes a certain period because of where it is shipping from or because an item has a slightly longer lead time due to stock levels. This is also underlined by a defined term within the Mastercard chargeback guide that states:

**Delayed Delivery.** When the date the goods or services were to be provided as agreed upon by the merchant and the cardholder has passed.

Mr G ordered the goods on 14 November 2024 based on an agreement there would be a one-week re-stock plus the usual shipping time. He told Monzo he got the goods on 27 November 2024, which would be in line with this and the goods coming from overseas. Here I don't think there was persuasive evidence available to Monzo at the time of the claim that this was a case involving an agreed delivery date that had passed. So I think it is correct that the 120 day time limit starts from the transaction date here.

I know Mr G has referred to 'delayed delivery' being referenced in other Mastercard literature in a way that he says contradicts this interpretation. However, that reference is in other literature and in the context of transaction processing. I think the definition provided in the Mastercard chargeback guide (as highlighted above) is more likely to apply in the context of the chargeback dispute.

Mr G has questioned if this wasn't a case of delayed delivery under the chargeback rules why the three disputes raised on the same day were also not out of time. The other transactions Mr G disputed at the time were:

- B. 14/11/24 (delivered on 3/12/24) - £186.98
- C. 23/11/24 (delivered on 8/12/24) - £276.64
- D. 29/11/24 (delivered on 14/12/24) - £264.18

Based on the information I have seen I do not think Monzo would have been acting correctly by using the date of delivery for disputing these other transactions under the relevant chargeback rule. I think these likely would not have succeeded if it had done so as the date of delivery is only relevant if an agreed delivery date has not been met. And there wasn't persuasive evidence of that here.

Mr G says chargebacks for these transactions succeeded. However, on receipt of further information from Monzo including system notes I can see its system rejected Transaction B and C as out of time based on the 120 day rule. Transaction D was the only one that could be raised as a chargeback, and the only one that happened to be in time when Mr G got in touch based on the 120 day rule starting on the transaction date. So, all these other disputed transactions do is reinforce that the applicable timeframe here starts from the date of transaction and not the date of delivery.

As an aside I note Monzo chose to refund transactions B and C anyway as it perceived it had closed these in error. I am not sure why it concluded this, as it appears they were out of time when Mr G raised them with it in the first instance. So it has done more than I would have likely directed it to do so here had these not been refunded.

In summary, I don't think Monzo's actions in respect of the other chargebacks clearly shows the date of delivery was applicable as the start date for the chargeback timeframe here. I maintain that the correct interpretation of the rule in respect of Transaction A based on the information presented to Monzo would be that the 120 day time limit begins on the transaction date and not after.

However, even if I accepted the date of delivery was the correct starting date for the chargeback time limit (which I do not) I still don't think Monzo acted unfairly in not progressing the chargeback in any event. I say this because based on the date of delivery which Mr G confirmed with Monzo for Transaction A (27 November 2024) the final day to raise a chargeback was 26 March 2025. This is the first day Mr G raised the dispute with Monzo and before it had gathered all the information it needed from him to progress things. I don't think it would be reasonably expected for Monzo to have processed everything that same day. I know Mr G has now said the date of delivery was the 28 November 2024 but that doesn't appear to be what he told Monzo at the time of the claim so isn't material here. But in any event, it would still be cutting things rather fine to have expected Monzo to have raised the chargeback in time.

In summary, I consider the relevant chargeback time limit here for Transaction A starts on the transaction date. And as Mr G contacted Monzo outside of this it was not unreasonable in not raising a chargeback here. However, even if I were mistaken about that (of which I do not consider I am) Monzo was not unreasonable in not progressing the chargeback further in any event as it had very little time to do so.

If I were to consider Monzo had made an error in not raising the chargeback I would go on to consider the merits of the chargeback dispute. But I do not consider that to be necessary here as my finding is that Monzo has not acted unfairly in not progressing the chargeback in the first instance.

I know Mr G says he only found out the basis for his dispute at a later stage – which is why he raised it with Monzo at a late stage. I empathise with that – I am not saying what has happened is Mr G's fault. But it doesn't mean Monzo has acted unfairly here in not progressing the chargeback or refunding him for Transaction A.

I note Monzo admits its customer service could have been better at times. For example, I can see it didn't always give Mr G accurate information or answer his questions without him repeatedly asking. It could have done better in that sense. However, I note it has paid Mr G £50 for this – which in the circumstances appears to be fair and reasonable.

My decision is likely to disappoint Mr G. However, my role here is informal and in respect of the actions of Monzo only. Mr G is free to reject my decision and consider what other route (such as court) he wishes to progress any dispute regarding the goods.

Monzo accepted the decision but Mr G rejected it and said he would pursue the matter against Monzo by more formal means.

### **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.

Neither party has given me cause to change my provisional findings so my final decision is the same for the reasons I have already given (as copied above).

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 9 February 2026.

Mark Lancod  
**Ombudsman**