

The complaint

Mr S complains that Zempler Bank Limited will not refund him money he says he lost in a scam.

What happened

Mr S says he saw an advertisement on social media for a gambling company and he decided to open an online gambling account with it. He tried to credit money to his gambling account using his debit card issued by another bank, but the payment failed. At the suggestion of the gambling company, Mr S says he opened an account with Zempler and he was then able to make payments to fund his gambling account.

Two days later, Mr S contacted Zempler and told it he had been scammed. Mr S disputed nine payments to the gambling company, each made on 3 October 2025, with a combined value of £870. He says he suffers from a gambling addiction and is registered with GAMSTOP, which blocks access to UK-registered gambling sites. He says the gambling company induced him to send money by offering rewards and bonuses and he considers the pressure it placed on him should mean the payments are covered by the APP scam reimbursement rules. He says the gambling website has a history of complaints and engages in aggressive marketing. He considers it is acting illegally by advertising to potential UK customers and this is further evidence that it should be treated as a scam.

Mr S explains that this matter has had a significant impact on him. It has caused him financial difficulty, and as a result he struggles to pay for essential living costs. It has also caused him significant stress, anxiety and embarrassment.

He considers his GAMSTOP registration should have prevented payments being made to a gambling website and he feels the payments should be classed as a scam due to the gambling company misrepresenting itself as being regulated. Mr S suggests withdrawals from his gambling account were blocked too, even when his balance appeared to increase.

Mr S says Zempler did not take his vulnerability into account when making the payments. He adds that Zempler gave him notice it was closing his account but did not give reasons, which he says appears retaliatory and lacks transparency.

Zempler says it offers all customers the option to block all gambling related transactions from their account. It cannot find any record of Mr S having told it he had any vulnerabilities until he reported these payments as a scam, at which point it added a support marker to his account. Mr S authorised all the payments, which credited his account with a legitimate gambling company and he was able to use the funds to receive services from the gambling company. Zempler says it was a business decision to close Mr S's account and he was given 90 days' notice of account closure, in line with the terms and conditions of his account.

Our Investigator considered Mr S's complaint, but she did not uphold it. She did not consider the evidence showed Mr S had been the victim of a scam. She considered he made payments to this gambling company knowingly and he appeared to have received the services he paid for. She did not think Zempler ought to have blocked the payments,

because they were relatively low value and were not otherwise suspicious. It had not been made aware of any vulnerabilities or been told Mr S had a gambling addiction. She noted this was an overseas gambling company and GAMSTOP distributes the details of people to be blocked from using UK-regulated gambling companies. In any event, Zempler would not have known the purpose of the payments or that Mr S had registered with GAMSTOP.

Mr S did not accept the Investigator's assessment and asked for his complaint to be passed to an ombudsman for a decision. In summary, he says while the payments were authorised, they were made due to misrepresentation and exploitation by an unregulated gambling company, operating illegally online in the UK. He was unaware he was dealing with an unlicensed operator. He considers this was a scam and as such, Zempler should reimburse him for his losses. Zempler allowed a series of high-risk payments without intervening. These were high-risk because he made frequent payments from a newly opened account to the same beneficiary.

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'm sorry to read about the circumstances in which Mr S's complaint has arisen and about his gambling addiction and other vulnerabilities. But not every complaint referred to us as a scam is in fact a scam and having considered all the evidence, I'm not persuaded Mr S has been the victim of a scam here. I'll explain why.

I'd like to reassure Mr S that I have considered all of his points and all he has said. However, our rules don't require me to comment, or comment in the same level of detail, on each point he has raised. Instead, I have focused on what I think are the key issues.

Mr S has raised several points in response to our Investigator, but essentially, he says the gambling company misrepresented the fact that it was not licensed in the UK, it was acting illegally by advertising in the UK, and it pressured him into making payments. He also mentions not being able to withdraw money from his gambling account. Further, he says Zempler should have intervened in these transactions because they were suspicious.

Having considered everything, there is very little evidence that Mr S has been the victim of a scam. He appears to have knowingly authorised payments to his own account with a gambling operator and was able to use the funds in that account to place bets and receive the services he paid for. I accept that the gambling operator may not have been licensed to operate in the UK, but that does not necessarily mean it is operating a scam. I consider it is likely Mr S knew that it was not registered in the UK, since he says he had registered with GAMSTOP to block transactions to UK-registered gambling operators. Mr S also indicates he has not raised this matter with the gambling company itself, despite saying he was unable to withdraw money from his account, and there is no evidence from the gambling operator to show that Mr S complained to it or raised a dispute with it and no response from the gambling operator to set out its position or to confirm that withdrawals were attempted but not paid.

On balance then, I am not persuaded there is sufficient evidence for me to conclude that Mr S has been the victim of a scam. And while Mr S says Zempler should have intervened because the payments were suspicious, I cannot say that Zempler has caused Mr S any loss by any failure to intervene to protect him from fraud and scams because I am not persuaded he has been the victim of a scam.

Mr S has also complained that Zempler gave him notice that it was closing his account, and

he suggests this has caused him further harm.

Zempler does have discretion to review the services it provides to its customers, and it can close accounts in accordance with its terms and conditions. Generally, I would expect it to give a reason for closing an account, where it can. In Mr S's case, it has not provided a reason so I cannot determine whether it acted reasonably when it decided to close Mr S's account, although it did give him a reasonable notice period in line with its terms and conditions.

In the particular circumstances of Mr S's complaint, he says he used the Zempler account at the suggestion of the gambling company and it seems for the sole purpose of making payments to fund his gambling account. The account with Zempler is not his main bank account and there appear to be no direct debits, standing orders or similar items to rearrange. The account appears to have been newly created and had a balance of around £10. As such, it appears the impact of Zempler's decision and any distress and inconvenience caused by it is likely to be minimal. On that basis, I am not persuaded that Mr S has suffered any loss or harm as a result of Zempler's decision to close his account and so I do not uphold this element of his complaint.

My final decision

I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 April 2026.

Greg Barham
Ombudsman