

The complaint

Mr C complains about the outcome of a claim made to Lendable Ltd trading as Zable, and about how the claim was handled.

What happened

In September 2025, Mr C made two payments to an offshore gambling company (the merchant) using his Zable credit card. The first payment was for £200 and the second was for £295.

In October 2025, Mr C asked the merchant for a refund. The merchant declined the refund request and closed Mr C's account with it. Mr C then approached Zable for assistance. He asked to raise a dispute on the basis that appropriate checks were not conducted by the merchant before he was allowed to deposit funds and use the platform, and the merchant allowed payments to be made to it from a UK credit card despite a ban on this.

Zable reviewed matters and said it could not raise chargeback disputes for the transactions as no dispute rights exist for gambling. Mr C responded to Zable to say he was unhappy that it had allowed gambling transactions to go through on his credit card and asked to raise a claim under Section 75 of the Consumer Credit Act 1974 (Section 75). Zable reviewed this and issued a final response letter in which it said its system did not recognise the transactions as related to gambling, and it could not consider a Section 75 claim related to gambling. Zable then issued a further final response letter in which it addressed how the claim had been handled.

Mr C then brought his complaint to our service. Our investigator said as gambling transactions are excluded by Mastercard, Zable could not raise chargeback disputes for Mr C. Although our investigator thought gambling transactions could be considered under Section 75, he could not see a breach of contract or misrepresentation had occurred. Our investigator found that Zable did not act unfairly in allowing the gambling transactions to go through on the credit card as the merchant had used a different merchant category code (MCC). And lastly, our investigator said we couldn't consider the handling of the complaint as complaint handling is not a regulated activity.

Mr C then asked for an ombudsman to consider his complaint. He said he attempted to withdraw funds from the merchant and this attempt was blocked. Mr C says this supports a claim for breach of contract under Section 75. Mr C also says that in using an incorrect MCC, there has been a misrepresentation. Mr C re-iterated his concerns about Zable having allowed the transactions to go through on his card. So, the complaint was passed to me to decide.

I issued a provisional decision in which I said the following:

"Chargeback

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.

I have reviewed the relevant card scheme (Mastercard) guidelines for the time period during which Mr C made his transactions. The guidelines indicate that a chargeback dispute cannot be raised for gambling transactions. As these types of transactions are specifically excluded, I do not find it unreasonable that Zable declined to progress the disputes for Mr C. So, I am minded to find Zable treated Mr C fairly in relation to the chargeback disputes.

Section 75

Section 75 allows – in certain circumstances - for a creditor (Zable) to be jointly and severally liable for any claim by the debtor (Mr C) of breach of contract or misrepresentation made by a supplier of goods and/or services (the merchant). Before the claim can be considered, there are some technical requirements which need to be met. Section 75 says:

“If the debtor under a debtor-creditor-supplier agreement falling within section 12(b) or (c) has, in relation to a transaction financed by the agreement, any claim against the supplier in respect of a misrepresentation or breach of contract, he shall have a like claim against the creditor, who, with the supplier, shall accordingly be jointly and severally liable to the debtor.”

Put simply, this means the person who owns the credit card account needs to have a claim for breach of contract or misrepresentation against the company which was paid using the credit card.

There may be some issue with the merchant's name differing from the name that appears on the statements for the purpose of establishing a debtor-creditor-supplier relationship. However, I have not explored this issue further as I find that even if the relevant relationship is there, a claim under Section 75 is unlikely to be successful. I will explain why.

Mr C says that in using different names when processing the transactions and in using the incorrect MCC, the merchant has made misrepresentations. For a misrepresentation to have been made, Mr C would need to show that the merchant made a representation which was not only false but also induced him to enter the contract. How the payment was processed has more to do with the card scheme. So, I find that no meaningful misrepresentation argument has been made by Mr C that Zable needed to consider.

Mr C has explained in his submissions to the ombudsman that he attempted to withdraw funds. He was not allowed to do so, but the merchant also removed his access to its platform, so he was unable to gather evidence of the same. Mr C asks us to consider whether this would be a breach of contract.

As far as I can tell from the correspondence between the parties, Mr C was able to deposit funds and use them to play. If he had credits that he attempted to withdraw, and was then refused, there is no evidence of this. I can understand why Mr C would be aggrieved that his access has been restricted and so he cannot obtain evidence of this nature. However, I note that in his emails to the merchant he does not mention having had this issue and instead raised his request for a refund on other grounds.

With no evidence to corroborate Mr C's version of events, I cannot safely say that a breach of contract has occurred. I therefore am minded to find that even if Zable had considered the

claim under Section 75, it would have likely been unsuccessful and so Mr C has not lost out from Zable's failure to consider the claim further.

Processing transactions

Mr C has said he is unhappy with Zable having allowed the transactions to go through when gambling transactions are not permitted to be made on credit cards.

Zable has shown us the MCC used on the relevant transactions and these do not relate to gambling. That being the case, Zable's system would not have been able to pick up that these transactions relate to gambling and block them. I can't fairly say that Zable is at fault for this or failed to take action in any way. I can see Zable has reminded Mr C that his account should not be used to process gambling transactions and I am not minded to find that it should have done any more in the circumstances.

Claim and complaint handling

On 15 October 2025, Mr C submitted his dispute to Zable. He chased matters on 24 October 2025 having not received a response and Zable responded two days later to say it could not view the attachments. Zable has acknowledged there was a slight delay in acknowledging and responding to Mr C's initial dispute information and has paid £10 into his account for this delay. I find this to be reasonable.

I have reviewed the correspondence that followed and can see that Zable told Mr C it could not locate the transactions despite having received information about what they appeared as on the statements. Zable also referred to a final response letter issued in 2024. I find that both of these errors caused Mr C to have to repeat himself and what his complaint was about multiple times.

Having said that, I find that despite these errors, Zable reviewed the correspondence promptly and progressed matters in a timely manner. The final response letters were also issued quickly and from that point, Mr C had the option to refer his complaint to our service if he disagreed with Zable's stance, which he did.

Although I appreciate the errors made by Zable caused some inconvenience, I cannot see that the errors made should warrant a further payment of compensation. So, I am not currently minded to award anything over the amount of £10 which has already been paid to Mr C in apology for issues faced during the handling of the claim.

I note that in some of his correspondence Mr C has referred to having issues with the complaint handling and our investigator has said this is not a regulated activity. I would like to clarify that as we are looking at the matter of complaint handling ancillary to a regulated activity, we would be able to consider it. But I cannot find any errors with the way in which the complaint was handled at this time."

Zable responded and accepted the provisional decision. Mr C also responded and provided further information for consideration as follows:

- In processing payments using an incorrect MCC, the merchant misrepresented the true nature of the transaction, and this impacts how the transaction is understood. Mr C asks us to consider this as a misrepresentation by conduct.
- Mr C says the DCS relationship should be considered intact in substance as the intermediary was facilitating access to the gambling platform.

- Mr C asks that when considering whether a breach of contract occurred, we take into account that the reason he is unable to supply evidence is due to the merchant's actions in restricting access to the platform.
- Mr C asks us to consider whether the overall relationship is unfair under Sections 56 and Section 140A of the Consumer Credit Act 1974 (Sections 56 and 140A).

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 note that Mr C raises numerous points that are new and have not been considered before. My remit on this complaint is restricted to considering how Zable handled the claim brought to it so I will only deal with those complaint points that relate to this.

Mr C is suggesting we consider the use of incorrect MCC as misrepresentation by conduct. I can see no evidence to suggest that the merchant suggested that it was a UK based company or that it was bound by the rules and regulations that apply in the UK before Mr C decided to make payments to it. Even if I were to accept that there were misrepresentations made by the use of incorrect MCC, there is no information to suggest that this is what induced Mr C to enter into a relationship with the merchant. And importantly, I cannot overlook the fact that the merchant is offshore and therefore making payments to it circumvents gambling blocks that might otherwise apply to companies based in the UK. This is a major attraction for some customers. Overall, I am not persuaded that a successful argument for misrepresentation can be made here.

Mr C asks us to consider the DCS relationship as intact. I would like to make clear that I have not provided an opinion on whether the DCS relationship is in place or not on this complaint as I currently do not have enough information to do so. What I have said is that even if it was intact, I don't find the claim would've been successful, so I do not find it necessary to explore this matter further in the circumstances.

Mr C has explained again that the merchant restricted his access to the platform, so he was unable to gather evidence. Although I have empathy for Mr C's situation, I am still without specifics of what funds he had in the account that he attempted to withdraw, evidence that he raised these concerns to the merchant or Zable, or corroborating evidence from the time to show me that he faced this issue. This argument seems to have come at a later stage of the complaint and without suitable evidence to support the claim, I find the breach of contract argument to be unsubstantiated.

Mr C has raised concerns about an unfair relationship. I am considering how Zable handled the claim when it was brought to it. The arguments concerning Sections 56 and 104A were not raised to Zable, and as they didn't form part of the initial claim, I am unable to consider them.

So, for the reasons outlined above, I continue to find that Zable has handled the claim fairly.

My final decision

My final decision is that I do not uphold Mr C's complaint against Lendable Ltd trading as Zable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 21 May 2026.

Vanisha Patel
Ombudsman