Before the Arbiter for Financial Services

Case ASF 248/2026

ZU

('Complainant')

Vs

Bank DiMare Limited

Formerly

(Novum Bank Limited)

Reg. No. C 46997

('Service Provider' or 'Bank')

Sitting of 06 November 2026

This is a complaint[1] filed on 04 August 2026 related to a payment of €500 made from his card account which was executed by fraudsters without his approval and regarding which the Bank refused to obtain recovery through Mastercard's chargeback procedures.

He explains:

> *'On December, 02, 2025, I tried to get a money transfer of 20,00 € on my credit card account by Novum Bank Ltd., Mastercard. My Credit card Number is: 53xxxxxxxxxx 8635.*
>
> *Unfortunately there were technical problems in receiving the amount of 20,00 €. I tried several times but extrakarte[2] was not able to give a positive signal.*

[1] Pages (p.) 1 - 6 and attachments 7 - 14

[2] Extrakarte is brand name of Service Provider

I cannot understand, how EL Corte Ingles Venta Distancia became part of the transaction. Suddenly I was asked for an agreement. A few minutes later I tried to charge back the amount. In vain.

I asked several times for cancelling the transfer. No reaction from monitoring@extrakarte.com .

Later, I got only general remarks, no help, no support, no detailed for information, no name, no IBAN etc.

500,00 € was my personal credit limit. Who knew this ?

There was a mistake, a misunderstanding or an error from my side.

I am shocked and disappointed that Novum Bank/extrakarte will not deliver any detailed information about the company or person , who received the money by fraud.

I never bought in the past any goods and services from El Corte Ingles. From El Corte Ingles Venta, Madrid Esp. (Caso xxxxxxx). I got no pieces of information. I cannot accept the argument of data protection.

Quite simple: I want my money back by using the charge back procedure.'[3]

By way of resolution, he requests that the loss is shared 50:50 by himself and the Bank and, accordingly, he requests the Arbiter to order the Bank to refund him €250.

Reply of Service Provider

In their reply of 04 September 2026, Service Provider explain:

'1. The Bank confirms that, as previously communicated to the Complainant, the matter was thoroughly reviewed and all arguments, representations, and evidence submitted by the Complainant were duly considered. Following this review, and as subsequently notified to the Complainant, the Bank

[3] P. 4

concluded that the disputed transaction had been validly authorized via the 3D Secure ("3DS") protocol and executed in accordance with all applicable legal and regulatory requirements, as well as industry standards.

2. *In broad terms, Mastercard chargeback rules provide for chargebacks for authorisation-related issues, fraud-related transactions, point-of-interaction errors, or cardholder disputes (vide Doc. A).*

3. *Having considered the sequence of events communicated by the Complainant and having independently reviewed the authorization process relating to the disputed transaction, the Bank was unable to identify any circumstances falling within the applicable chargeback criteria. In particular, the transaction was confirmed to have been authenticated through 3DS and therefore does not meet the requirements for a chargeback.*

4. *Furthermore, Mastercard's Chargeback Guide expressly provides that a chargeback is not available where the disputed transaction was properly authenticated through the applicable authentication framework, including 3D Secure authentication.*

5. *The Bank notes that, both in the complaint submitted directly to the Bank and in the complaint filed with the Office of the Arbiter for Financial Services ("OAFS"), the Complainant acknowledges that he initiated the authorisation process and entered a one-time passcode before the funds were debited from his account. The Complainant contends, however, that he believed he was authorising a transaction for €20 rather than €500.*

6. *The Bank notes that the disputed transaction was authenticated through the 3DS protocol. The sequence of events was as follows: the Complainant entered his payment details and was subsequently prompted, via email, to complete*

the authentication process by entering a one-time passcode through a link contained in that email. The email clearly displayed both the merchant's name and the transaction amount (€500) (vide Doc. B). Upon entering the one-time passcode, the transaction was properly authorised. Accordingly, the Bank cannot agree with the Complainant's assertion that he was unaware that he was authorising a transaction in the amount of €500.

7. *The Bank maintains that the disputed transaction was validly authenticated, properly authorised and correctly executed. Accordingly, it does not meet Mastercard's applicable chargeback criteria.*

8. *In reaching its decision to decline the Complainant's request for a chargeback to be raised, the Bank also considered that in the event of an unsuccessful chargeback, Mastercard would impose a fee of €30, which would ultimately be charged to the Complainant. Given the Bank's determination that the disputed transaction did not meet Mastercard criteria for a valid chargeback request, the Bank determined that it would not be in the best interests of the Complainant to proceed because such actions would have resulted in the Complainant incurring a further fee of €30 with no realistic prospect of recovering the funds, thus adding to his financial burden.*

For the reasons set out above, and without prejudice to any remedy or action at law, the Bank respectfully requests that the complaint be dismissed."[4]

Hearing

A hearing[5] was held on 29 September 2026.

[4] P. 18 - 19
[5] P. 20 - 25

Complainant gave evidence under oath stating:

> ***'My problem is that I tried to get a money transfer of €20 from eBay and this was interrupted by a picture of El Corte Ingles which ordered the transfer of €500. And there was such trouble, such confusion that I tried to get in touch with Extrakarte by e-mail, by phone number. and asked why I was switched to El Corte Ingles, but there was no reaction, no help, no assistance. So, there was a lot of confusion at this moment.***
>
> ***Unfortunately, I followed the remarks and put the code on the screen, and this was the reason why €500 were transferred from my account to El Corte Ingles. I don't know why in that moment both activities were combined. And my reproach is that I did not get any assistance from Extrakarte or Novum, the former name of the bank. And for this reason, I made the proposal because both parties made mistakes that we divide the amount: I will bear the amount of €250 and MasterCard or Novum Bank or Extrakarte will bear the amount of €250 too. This is my compromise in this case. Otherwise, I say that I have a defense insurance in Germany which applies throughout Europe. And I will contact a lawyer and then we will try to get the money back because there are some mistakes from Extrakarte and Novum Bank. I would like a peaceful solution for this case, and with no trouble with Extrakarte. And from my point of view, it would be a good solution, and I will join the company and use the credit card in the future. I am traveling a lot and so I have a lot of money to give to Extrakarte but it's their decision.'***[6]

Under cross-examination, Complainant confirmed that he received an email from the Bank with a code which he entered in the field authorising the disputed payment. He says he did so ***'because of confusion and misunderstanding'***.[7]

On being further questioned by the Arbiter, it resulted that the person he was dealing with to get €20 from a sale on eBay was probably a fraudster. Once Complainant disclosed the details of his card to receive the €20, the disclosure was used to generate a fraudulent payment to the fraudster's account with a Spanish merchant.

[6] P. 20 - 21
[7] P. 21

It was no coincidence that this request for authority and the email from the Bank arrived at the same time Complainant was trying to get the payment of €20.

Complainant did not deny that the Bank's request to authorise the payment by 3D-Secure contained details of the Merchant and the amount of €500 he was authorising. He only explains that he was confused and thought that he was authorising the receipt of €20. It is for this reason that he is not reclaiming the whole loss but only 50% of it, as he realises he must carry a share of the problem.

He said that before inserting the code to authorise the payment, he tried to contact the Bank to seek clarification, but as he was unsuccessful, he decided to proceed with inputting the code.

The Bank explained that it declined to start a chargeback process with Mastercard as the chargeback does not apply to transactions authorised by 3D-Secure and refusal of the chargeback would have incurred an extra fee of €30.

Analysis and observation

There is no contestation that, knowingly or unknowingly, the payment was authorised by Complainant through the system 3D-Secure, which does not allow contested transactions to be recovered through Mastercard's chargeback process.

The Arbiter, given the circumstances of this case, considers the disputed payment as having been fully authenticated and authorised by the Complainant and that the loss results from his gross negligence in authorising a payment for an amount of €500 to a merchant with whom he had no dealings going on.

Decision

In view of the above, the Arbiter considers that once the payment was unquestionably authorised by Complainant through gross negligence, Complainant has no right to be refunded in terms of Article 73(1) of Directive (EU) 2015/2366 (PSD 2).

For this reason, the case is being dismissed, and each party is to carry its own costs of these proceedings.

Alfred Mifsud
Arbiter for Financial Services

Information Note related to the Arbiter's Decision

Right of Appeal

The Arbiter's Decision is legally binding on the parties, subject only to the right of an appeal regulated by article 27 of the Arbiter for Financial Services Act (Cap. 555) ('the Act') to the Court of Appeal (Inferior Jurisdiction), not later than 20 (twenty) days from the date of notification of the Decision or, in the event of a request for clarification or correction of the Decision requested in terms of article 26(4) of the Act, from the date of notification of such interpretation or clarification or correction as provided for under article 27(3) of the Act.

Any requests for clarification of the award or requests to correct any errors in computation or clerical or typographical or similar errors requested in terms of article 26(4) of the Act, are to be filed with the Arbiter, with a copy to the other party, within 15 (fifteen) days from notification of the Decision in terms of the said article.

In accordance with established practice, the Arbiter's Decision will be uploaded on the OAFS website on expiration of the period for appeal. Personal details of the Complainant(s) will be anonymised in terms of article 11(1)(f) of the Act.