

The complaint

A company I'll call T complains that Paymentsense Limited trading as Dojo (Dojo) refused to waive a fee of £12.41 that was incurred during what T understood to be a free trial.

T is represented by one of its directors, Mr J.

What happened

Mr J told our service that, during a visit by Dojo's sales rep, T was offered a free trial of Dojo's terminal service. However, Mr J said the system didn't work as he was told it would, in that the terminal didn't display stock levels.

Mr J said he tried to contact the sales rep and his manager more than once to cancel the agreement, but didn't ever hear back. Eventually, he emailed Dojo directly saying he wanted to cancel the agreement. Dojo did agree to cancel the agreement, but said a fee of £12.41 was payable. Mr J complained, but Dojo maintained its position. It issued a final response to T's complaint on 20 December 2024, in which it said it had agreed to waive a cancellation fee of £480, but wouldn't waive the £12.41 charge, saying the terminal had been used twice on 8 November 2024.

Mr J remained unhappy, so he brought T's complaint to our service. He said the sales rep had mis-led him by saying it was a free, no obligation trial, and that he wouldn't have agreed had he known that was not the case. Our Investigator upheld the complaint and told Dojo to waive the £12.41 charge and pay £50 to compensate T for the inconvenience it had been put to. She noted Dojo hadn't provided the sales representative's notes and she said she thought Mr J's version of events was probably correct.

Mr J accepted our Investigator's findings, but Dojo didn't. Dojo had originally sought to argue that T hadn't cancelled the contract in time because Mr J sent the cancellation request to the sales rep and not the email address stated in the contract. The email though ends with Mr J asking what the next steps to end the trial are, and there was no reply from the sales rep.

But Dojo ultimately accepted Mr J's email as cancellation, and instead suggested that the fee of £12.41 had been correctly incurred because T had processed two transactions two days after signing the agreement. It said the fee was made up of a "platform fee" of £10 plus VAT, and card transaction fees, which it said were distinct from card machine service and card machine maintenance fees, that were not chargeable during the first month.

Dojo said there was no evidence Mr J was told it was a free trial and that there was no evidence that the four transactions, two of which were for £0.05, processed were test transactions. It asked for an Ombudsman to review the matter afresh.

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.

Having done so, I'm upholding T's complaint. Dojo said there's no evidence to suggest Mr J was told the trial would be free, or that the transactions in question were test transactions. But that's not correct. Mr J emailed the sales rep on 25 November, saying he had decided not to use Dojo's services because the ability to do stock takes was really important to T.

Mr J said from the start that the terminal displaying stock figures was essential and that the inability to do so was ultimately the reason he didn't wish to use Dojo's service. That explanation makes sense in light of Mr J's email, and in the context of the nature of T's business, because the type of business operated by T has a high number of different items for sale with a limited space for stock, so it's essential for T to have easy access to stocking levels and to know what stock is selling well and what stock is not.

All four transactions were made at the very start of the agreement, and all four were for low amounts (£0.05 twice, £10.43 and £15). Mr J said the sales representative wanted T to attempt more transactions to see if the stock checking feature would work, and that he left with T under the impression he would return to complete the setup, but that that never happened.

That the terminal wasn't used after a few test payments also suggests that T didn't *need* to use the terminal, which supports Mr J's suggestion that he only agreed to take the terminal because he was given the impression that the trial period would be free.

Mr J's testimony sits perfectly with the written evidence and I find him to be a compelling witness. Conversely, Dojo hasn't produced any evidence of what the sales rep said at the meeting, save for the written agreement, which I'm not persuaded is an accurate record of the conversation/s that took place.

And given what Mr J has said about the sales rep's lack of communication and apparent disregard for the customer, I don't find Dojo's representations about the nature of what was promised to be believable. And instead, I'm satisfied that Mr J's version of events was accurate, in that he was told the trial would be free and with no obligation, and that the only use of the terminal was to test it worked, which it did not.

For the reasons I've set out above, Dojo must cancel the fee of £12.41 (and refund it if T has paid it), and pay T £50 compensation in recognition of the inconvenience it caused T as a result of one of its director's time being diverted away from usual business to try to rectify the issues Dojo caused.

My final decision

My final decision is that Paymentsense Limited trading as Dojo must cancel the fee of £12.41 (and refund it to T if T has made payment), and pay T £50 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 12 March 2025.

Alex Brooke-Smith
Ombudsman