

## **The complaint**

A company which I'll call 'E' complains that Paymentsense Limited trading as Dojo behaved unreasonably when charging a cancellation fee after providing poor service.

The complaint is brought on E's behalf by its director, Ms N.

## **What happened**

For ease of understanding I've set out a list of the parties involved in the complaint as follows:

E – the complainant company

S – the technology provider responsible for the interface of the electronic tills and payment processing system.

Paymentsense – the merchant service provider responsible for processing transactions on E's behalf and the service provider of the actual card terminal.

Ms N told us:

- E opened at a new location in August 2024 and decided to use a technology system through a company which I'll call 'S' to interface with its tills. S subsequently recommended that E use Paymentsense to provide card machines and to process its payments.
- S wasn't providing a good level of service to E as it was unstable and causing payment failures. So, in October 2024, E contacted Paymentsense to ask if there was an alternative system which it could work with instead of S. However, Paymentsense didn't reply until mid-December 2024.
- Paymentsense didn't reply within a reasonable timescale, and as no alternative options were provided online, E decided to look elsewhere for a more widely recognised payment service provider. In January 2025, E cancelled its agreement with Paymentsense.
- Paymentsense said that as E had cancelled the agreement and returned the terminal, the company was liable for an early termination fee, which was unfair.
- Paymentsense was acting unreasonably. It hadn't responded to resolve the system issue or provided an alternative within a reasonable timescale, so E had been forced to look for an alternative provider. As the system wasn't working correctly, the onus should be on Paymentsense to resolve this or allow exit without penalty as the agreed functionality wasn't being provided.
- Paymentsense had also behaved unfairly as it hadn't been clear and transparent about the early termination fee and had only referenced this in the agreement via a

link to its webpage. And the webpage could be updated at any time without a customer's knowledge which created uncertainty.

Paymentsense told us:

- Cancellation charges are outlined in the agreement which E had accepted, as well as in the fees schedule, which was also part of the agreement.
- The agreement and terms and conditions are clear that the fees schedule forms part of agreement which E had accepted. The fee schedule is referred to throughout the terms and conditions, along with information about how this can be viewed.
- The terms and conditions say that if E terminated the agreement before the end of the minimum term set out in the application, an early account closure fee would be payable. In this case, E had five months left on its agreed contract.
- It had taken longer than expected to reply to E's query about an alternative till system provider, although E hadn't chased for an update either. However, its service had been lower than it would have expected, so it had apologised and offered to remove a month of cancellation charges payable by E as a gesture of goodwill.

Our investigator didn't recommend the complaint be upheld. He thought that Paymentsense had taken a long time to respond to E with the information requested. However, he also thought Paymentsense had done enough to put things right by refunding one month's cancellation fee. The investigator thought that it was E's choice to go to a provider that wasn't compatible with Paymentsense. And he wasn't persuaded that even if Paymentsense had responded immediately to E's query, or if E had used another service provider recommended by Paymentsense, that E wouldn't still have ended its agreement early. The investigator also thought Paymentsense had been clear about the cancellation terms before E had signed the agreement and therefore it wouldn't be fair to ask it to waive this fee.

E didn't agree and asked for an ombudsman to review the complaint. It said the terms and conditions were lengthy and the fee schedule was a separate document and could be amended at any time and weren't transparent. It also said that Paymentsense took 50 days to respond to its information request and that one day without a card machine would have cost £1,500 of lost sales.

### **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 sorry to disappoint Ms N but there's not much more that I can add to what our investigator has already said.

Ms N says that the terms and conditions were lengthy and the fees charged by Paymentsense weren't transparent, but I don't agree. I've looked at the terms and conditions and the agreement between E and Paymentsense, and I think the charges and fees, including the cancellation fee, are clearly displayed. I can see that there is also reference in both the agreement and terms and conditions about the fee schedule, additionally the acceptance terms required E's representative to confirm they'd read and accepted the fees as part of the application process.

Furthermore, Ms N says that the cancellation fee was hidden within the terms. She also says it's unreasonable that the fees were only provided by a link to another document which could

be amended by Paymentsense at any time. However, providing a weblink to a separate document, rather than providing specific fees in writing, is a commercial decision that Paymentsense is able to make. And that isn't something that our service would interfere with unless we thought Paymentsense was behaving unreasonably, and I'm not persuaded that's the case here. I say that because the link provided by Paymentsense takes the user to the fees page where a breakdown of each type of fee is detailed.

Additionally, the agreement provided by Paymentsense is clear that the fee schedule is part of the terms and conditions, which is why a link is provided to that document and whomever is signing the agreement has to confirm that they have had read this before proceeding. Within the fee document, I've also seen that there is a specific section in the fee schedule regarding the 'early account closure' with an explanation of how the cancellation fee is calculated. So, I think the cancellation terms were clear that E would incur a fee if it chose to exit its agreement early. And I don't think Paymentsense treated E unfairly by charging it the cancellation fee that E had accepted when signing the agreement.

I recognise that Ms N says it took Paymentsense an unreasonable amount of time for it to respond to E's query about an alternative option to S. However, I don't think it's fair to hold Paymentsense responsible for an issue caused by S's technology, which it had no control over. Furthermore, Paymentsense said that it doesn't have a timescale for providing assistance on this type of query as generally its customers provide information about who they'd like to use, rather than Paymentsense sourcing this. I think this is reasonable given that the customers have the knowledge of their business and technology required. And, in this case, whilst Paymentsense has accepted that it would have liked to provide the information more quickly to E, I haven't seen any evidence that E contacted Paymentsense to chase the information that it required or explain that without this information it intended to cancel its agreement.

I also think it worth noting here, that when E called Paymentsense on 27 January 2025 to cancel the agreement, Paymentsense's agent explained that there would be a cancellation fee applicable as E was still in its twelve-month contract. However, E said that regardless of the cancellation fee, it wanted to cancel the agreement as it was using a different supplier who was offering lower fees. On that call, E also said that its issue wasn't with Paymentsense, only that S's interface wasn't working as it should and that Paymentsense hadn't provided an alternative to S quickly enough. On that call, Paymentsense explained the six-month term that E had left on its agreement, so even if I thought that Paymentsense's terms were unclear and E wasn't sure what the fee was before this point, Paymentsense told E it would incur a fee if it proceeded with the cancellation, and E still chose to proceed.

I'm sorry to disappoint Ms N as I know she feels strongly about E's complaint. However, Paymentsense has accepted its actions could have been better when looking at alternative providers for the interface service. It has apologised that this took around 50 days to provide and offered to refund E one month's cancellation charge. Taking into account the circumstances of this complaint, in particular that Paymentsense doesn't have a process or timescale for this type of request and that the issues with E's payment journey wasn't as a result of Paymentsense's actions, I think this is a fair way to put things right. So, I won't be asking Paymentsense to do anything more.

### **My final decision**

My final decision is that I don't uphold this complaint.

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

Jenny Lomax  
**Ombudsman**