

## **The complaint**

Mr I complains that MONEYBARN NO.1 LIMITED trading as Moneybarn terminated his loan agreement early.

## **What happened**

In February 2023 Mr I acquired a car at a cost of £13,298. This was funded by a conditional sale agreement with Moneybarn. Mr I acquired the car to use as a taxi and says he told the broker who arranged the loan about this.

In early 2025 Mr I had some financial challenges and struggled to make some payments. During the course of a call with Moneybarn he disclosed that he was using the car as a taxi. Later Moneybarn notified him that it was terminating the agreement since under its terms and conditions the car was not allowed to be used as a taxi. Mr I complained and Moneybarn said it was unaware and it also noted that in some of the later calls he had referred to being a taxi driver, but he had not explained that the car it had funded was being used as a taxi.

Mr I brought a complaint to this service where it was considered by one of our investigators who didn't recommend it be upheld. She noted that the agreement did not allow for the car to be used as a taxi and although Mr I said he hadn't read it she couldn't hold Moneybarn responsible for that. Mr I said he had told the broker and Moneybarn at the time of purchase that the car would be used as a taxi, but these calls have not been retained.

She also noted that in the 2025 calls the main issue had been to provide support with his arrears and while he had told the call handlers he was a taxi driver this had not been the main focus of the calls. Although Moneybarn had not acted to terminate the agreement earlier which gave some comfort to Mr I, it was not prevented from taking such action later.

Mr I asked that his complaint be considered by an ombudsman.

## **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.

When the evidence is incomplete, inconclusive or contradictory as some of it is here – I've reached my outcome on the balance of probabilities – that is, what I consider likely to have happened given the available evidence and the wider circumstances.

I want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I also want to assure Mr I that I've reviewed everything on file. If I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I should make it clear that the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. I do not perform the role of

the industry regulator and I do not have the power to make rules for financial businesses or to punish them.

The agreement Mr I signed states: *'you will not allow the goods to be used as a taxi or for hire or reward'*. It goes on to say: *'please only sign if you want to be legally bound by the terms of this agreement'*. It also confirms that Moneybarn has the right to end the agreement if *'you breach any other term of this Agreement'*.

It is clear that the agreement gives Moneybarn the right to terminate it.

However, Mr I vehemently asserts that he told both the broker and Moneybarn that the car was to be used as a taxi. He says he was refused warranty cover because of this. We do not have a record of the calls from that time and this is not unusual given the period of time which has elapsed. However, I have been able to go through Moneybarn's internal records which run to some 20 pages. There is no reference to the car being used as a taxi and while I see it does refer to a dealer warranty form it does not say if one was taken out or contemplated.

While I have noted Mr I's testimony and what he has told Moneybarn in 2025 when he was made aware of the termination we have no supporting evidence of his claim. Quite simply, I do not have sufficient evidence to reach a conclusion that he was misled when he took out the finance agreement. It is regrettable that he did not read the agreement before signing, but it does make it clear that the car cannot be used as a taxi. Moneybarn is entitled to terminate the agreement and I appreciate the difficulties this has, and will cause Mr I, but I cannot safely conclude Moneybarn has done anything wrong.

I would add that although Moneybarn did not act straightaway when it became aware of the situation that does not prevent it from terminating the agreement. I appreciate Mr I feels this supports his complaint, but not such that I can uphold it.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 19 March 2026.

Ivor Graham  
**Ombudsman**