



<u>Decision Ref:</u>	2021-0130
<u>Sector:</u>	Banking
<u>Product / Service:</u>	Tracker Mortgage
<u>Conduct(s) complained of:</u>	Failure to offer a tracker rate at point of sale
<u>Outcome:</u>	Rejected

**LEGALLY BINDING DECISION
OF THE FINANCIAL SERVICES AND PENSIONS OMBUDSMAN**

The complaint relates to one of the mortgage loan accounts held by the Complainants with the Provider. The mortgage loan (account ending **2660**) that is the subject of this complaint was secured on the Complainants' private dwelling house.

The loan amount was €70,000 and the term of the loan was 34 years. The Loan Offer Letter accepted by the Complainants on **9 March 2007** detailed that the loan type was an "Equity Release 2 Year Fixed Rate SPL".

The Complainants' Case

The Complainants' primary mortgage loan account ending **7257** with the Provider was drawn down in **January 2006** on a one-year fixed interest rate. The Complainants submit that on the expiry of the fixed interest rate period they opted to apply a tracker interest rate of ECB + 1.10% to the mortgage loan in **January 2007**.

In **March 2007**, the Complainants sought a top-up mortgage in the amount of €70,000. The Complainants were issued a Letter of Approval for their top-up mortgage loan account ending **2660** on **7 March 2007**.

The Complainants submit in relation to the top-up loan that *"We did not want a personal loan, we did not want a separate mortgage account nor did we want a loan that would be placed against our home. What we were given by [the Provider] was exactly this. They gave us an Equity Release 2 year fixed rate secured personal loan at a rate of 5.15%. We have been left with 2 mortgage account[s], with two separate payments which is what we did not want."*

The Complainants further submit that they believe they would have chosen a tracker interest rate for the top-up loan if it had been offered to them in **2007** *"because that is what we choose [sic] on our original mortgage only a few weeks before that."*

The Complainants submit that in **October 2015** they received information from the Provider that they could avail of the Provider's new Managed Variable Rate (MVR). They detail that they phoned the Provider *"advising that because the second mortgage account [ending 2660] was below 50% LTV that we wanted to avail of the variable rate for that"*. The Complainants state however that *"despite been [sic] told on many occasions that we had two mortgage accounts and that both accounts were separate, [the Provider] told [them] that [they] could not avail of the rate for LTV below 50% because both account[s] needed to be placed together and once this was done, the mortgage amount was above LTV of 50%."* They submit that they advised the Provider of their *"dissatisfaction"* with this, but the Provider advised them that *"there was nothing further they could do"*.

In **October 2015** the Complainants moved the mortgage loan account ending **2660** to the Provider's managed variable rate of 4.30%.

The Complainants submit that they are *"extremely unhappy that when we asked for our two mortgage accounts be placed together as one account [in 2007], we were advised this could not be done, however when we requested to apply for a rate that is available if the LTV is below 50% [in 2015] ... we are advised that this is not possible"*. They state that *"This to us does not make sense as we are been [sic] given different information ... we feel we have been taken for granted, paying more money to [the Provider] than we should have been."*

The Provider's Case

The Provider submits that the Complainants have two mortgage loans with the Provider, as follows;

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(1) Mortgage loan account ending 7257

The Provider submits that the Complainants drew down their primary mortgage account ending **7257** on a one-year fixed interest rate in **January 2006**. It details that the loan was for €262,000.00 and was secured on the Complainants' primary residence.

The Provider states that it issued an interest rate options letter to the Complainants prior to the expiry of the initial fixed interest rate period, which included the option of a tracker interest rate of 4.60% (ECB + 1.10%). It states that in accordance with the Complainants' instructions, the tracker interest rate was applied to the mortgage loan account ending **7257** on **31 January 2007**.

The Provider states that the Complainants contacted the Provider in **November 2007** and a further interest rate reduction of 0.05% was applied to the tracker interest rate operating on their main mortgage loan account ending **7257**. The new tracker rate applied to the account was ECB + 0.80%.

(2) Mortgage loan account ending 2660

The Provider details that the Complainants were not offered a tracker interest rate on their mortgage loan account ending **2660** from inception in **2007** because it is an Equity Release personal loan, and the Provider has never offered tracker rates on such loans.

The Provider outlines that an equity release personal loan is an additional loan provided to an existing customer who has previously provided mortgage security to the Provider in respect of a previous mortgage loan. The Provider details that its introduction of Equity Release lending pre-dates the point in time when the Provider began offering tracker interest rates to its customers in **2004**. It submits that when the Provider introduced tracker rates in **2004** it was decided not to make a tracker interest rate available for equity release loans and therefore, there was no basis upon which the Complainants would be offered a tracker rate option in respect of the equity release loan.

The Provider states that the proceeds of an equity release loan can be used at the discretion of the borrowers, provided they are not applied for business reasons. It states that in contrast to other personal loans with higher interest rates and shorter repayment periods, the interest rates and repayment periods for equity release loans are generally in line with mortgage loans. It states that the equity release product was designed to enable customers to release equity in their homes.

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The Provider submits that the Complainants sought an additional loan of €70,000 in **February 2007** to “redeem existing unsecured short-term personal borrowings and to build an extension to their home”.

The Provider details that on **22 February 2007** its Business Retention and Development Unit recorded details in respect of the new borrowing required by the Complainants which outlined that the Complainants were considering a potential offer from a separate Provider for the loan and that the Provider offered the Complainants “either a reduction of 0.25% off the current tracker rate, or a 3 year 4.95% fixed rate”.

The Provider details that on **23 February 2007**, it approved the following offer for the Complainants:

- (a) A reduction of 0.25% in the tracker interest rate then currently applying to the Complainants’ mortgage loan account ending **7257** which would reduce the tracker rate from 4.60% to 4.35%
- (b) A reduced three-year fixed rate in respect of the €70,000 equity release borrowing.

The Provider submits that further to the Complainants’ engagement with the Business Retention and Development Unit, it issued an options letter to the Complainants on **23 February 2007** offering 1, 2, 3, 5, 7 and 10 fixed interest rate terms.

The Provider submits that the equity release loan was considered to be “suitable” for the Complainants on the basis that that was the product which they applied for; it was affordable for them; and Provider assessed that they had a proven repayment capacity. The Provider also submits that the Complainants had provided a legal mortgage to the Provider which had been in place since **2006** and was available to secure the additional borrowing of €70,000 over a period of 34 years.

The Provider outlines that all available interest rates were discussed with the Complainants in the normal course during the application process for the additional borrowing, and it was the Complainants’ decision as to which interest rate option or product to choose based on their “personal circumstances”. The Provider states that the interest rates available on equity release loans when the Complainants applied for the additional borrowing in **February 2007** were fixed rates for 1, 2, 3, 4, 5, and 10-year terms and a variable rate.

The Provider details that on **23 February 2007** the Complainants completed an **application for credit** for an equity release loan of €70,000 on a two-year fixed interest rate of 5.15%, repayable over a term of 34 years.

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The Provider details that a Letter of Approval issued on **7 March 2007** which described the loan as an additional loan and confirmed that the loan would be secured by way of an extension of the existing mortgage over the Complainants' primary residence and that no separate mortgage deed was required. The Provider refers to **Condition 5** and **Condition 12** of the **General Mortgage Loan Approval Conditions** which it states referred to the conditions applicable for equity release loans.

The Provider states that the Complainants accepted and signed the Letter of Approval on **9 March 2007**. The Provider submits that in signing the loan offer, the Complainants confirmed that they *"were provided with an opportunity to obtain independent legal advice prior to signing the acceptance of loan account ending 2660."* The Provider states that the loan funds were drawn down by the Complainants on **15 March 2007**.

The Provider states that it does not accept the Complainants' submission that they did not want two separate mortgage loan accounts. It states that the Complainants were seeking to obtain additional borrowing of €70,000, in order to build an extension to their home and to defray certain existing personal debt, and to do this with the lender chosen by them after they considered the alternative proposals made to them by the Provider and another lender. It states that the Complainants decided to proceed with the Provider's proposal, which was a reduction in the tracker rate on the existing account ending **7257** and a reduced fixed rate for a new equity release loan. The Provider does not accept that the Complainants received incorrect information with respect to the application of their loan.

The Provider does not accept that it offered to *"place both accounts together"* in **October 2015**. It states that it issued a letter to the Complainants on **14 September 2015** inviting them to switch the loan account ending **2660** to its Managed Variable Rate (MVR).

The Provider details that it was offering six MVR options to customers at that point in time based on the loan-to-value (LTV) on the mortgage loan, ranging from *"Less than or equal to 50%"* to *"Greater than 90%"*.

The Provider details that in **September 2015** the value of the Complainants' mortgaged property was €300,000 and at that time the property secured the Complainants' two mortgage loan accounts. It states that the mortgage account ending **7257** had a balance of €227,679.00 and the mortgage account ending **2660** had a balance of €63,934.00, and therefore the combined LTV of the property was 97%. It states that the applicable MVR for a property with a LTV greater than 90% was 4.30%.

The Provider states that its correspondence in **September 2015** stated that if the Complainants wished to complete an application for the MVR, all home loans secured on the property were to be included. It states that the Complainants were informed in the **Terms and Conditions** of the **Mortgage Rate Switch** that *“All mortgages relating to the property should be included in the application form”*. The Provider relies on **Condition 15 of the Terms and Conditions** in relation to the **Mortgage Rate Switch** which provided that the outstanding balances of the loans secured on the property would be aggregated for the purpose of calculating the LTV ratio.

The Complaint for Adjudication

The complaint for adjudication is that the Provider failed to offer the Complainants a tracker interest rate for their equity release mortgage loan in **2007**.

Decision

During the investigation of this complaint by this Office, the Provider was requested to supply its written response to the complaint and to supply all relevant documents and information. The Provider responded in writing to the complaint and supplied a number of items in evidence. The Complainants were given the opportunity to see the Provider’s response and the evidence supplied by the Provider. A full exchange of documentation and evidence took place between the parties.

In arriving at my Legally Binding Decision, I have carefully considered the evidence and submissions put forward by the parties to the complaint.

Having reviewed and considered the submissions made by the parties to this complaint, I am satisfied that the submissions and evidence furnished did not disclose a conflict of fact such as would require the holding of an Oral Hearing to resolve any such conflict. I am also satisfied that the submissions and evidence furnished were sufficient to enable a Legally Binding Decision to be made in this complaint without the necessity for holding an Oral Hearing.

A Preliminary Decision was issued to the parties on 13 April 2021, outlining my preliminary determination in relation to the complaint. The parties were advised on that date, that certain limited submissions could then be made within a period of 15 working days, and in the absence of such submissions from either or both of the parties, within that period, a Legally Binding Decision would be issued to the parties, on the same terms as the Preliminary Decision, in order to conclude the matter.

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In the absence of additional submissions from the parties, within the period permitted, I set out below my final determination.

In order to determine this complaint, it is necessary to review and set out the relevant provisions of the Complainants' loan documentation in relation to both mortgage loan account ending **7257** and **2990**, as well as the interactions between the Complainants and the Provider between **2007**, when the Complainants applied for and drew down both mortgage loan account ending **2990**, and **2015**.

I note that the Provider's internal document dated **22 February 2007** details as follows:

"Business Development & Retention has spoken to the customer and some details are as follows:

- *Customer is looking to top up existing mortgage by €70 to clear short term loans and build an extension.*
 - *They were looking at [third party lender] who due to the LTV would offer 3.85% (ecb+.35) year 1 followed by 4.75%(ecb+1.25).*
 - *I offered her either 0.25% off her current tracker rate, or a 3 year 4.95% fixed rate. (this is being posted just in case of the next rise)*
- ..."*

The Provider's internal emails on the following dates detail:

22 February 2007	<i>"70k [Equity Release product] tomorrow in [Branch] Also sending 3 year fixed"</i>
23 February 2007	<i>"Approved"</i>

The Provider's undated internal document in relation to the Complainant's existing mortgage loan account ending **7257** details:

Existing Business	Account No	Product	SVR or Tracker	Balance	Existing Rate	New Rate
	<i>[Account ending] 7257</i>	<i>Homeloan</i>	<i>Tracker</i>	<i>261,826</i>	<i>4.60%</i>	<i>4.35%</i>
<i>...</i>						

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<i>Rationale for reduction</i>	<i>[Third party lender] offer 3.85 year 1 then 4.75, appointment for 70k [Equity Release product] [provider branch]</i>
...	

I note that the Provider issued a letter to the Complainants on **23 February 2007** which stated:

“ ...
Mortgage Account XXXX7257
...
Further to our recent communication, I am attaching a list of our current fixed rate options. You indicated that you are interested in availing of our 3 year fixed rate of 4.95%. Please tick the rate you would like and return it to [Provider address].
...”

I have considered the **Application for Credit** that was signed by the Complainants on **23 February 2007**, which details as follows;

“2. Details of Mortgage Required

Type of Loan:

<i>Amount of Loan required</i>	<i>EUR 70,000.00</i>
<i>Purchase price/Value of property</i>	<i>EUR 370,000.00</i>
<i>Loan type</i>	<i>Equity Release 2 Year Fixed SPL</i>
<i>Repayment Term required</i>	<i>34 Years”</i>

The Provider’s internal note dated **28 February 2007** details:

“Applicants were referred to branch by business retention. They took out a mtg last year, and then took out subsequent loans. They were switching to another lender when business retention agreed to reduce their mtg rate, and suggested a [Equity Release product] to clear short-term loans”

It is clear that in **February 2007**, the Complainants were seeking a further advance of funds from the Provider and that advance of funds would be secured against the equity in the Complainants’ private dwelling house. It appears from the evidence that, as part of the negotiations during the application process for the top-up mortgage loan account ending **2990**, the Provider offered the Complainants reduced tracker and fixed interest rate options for their primary mortgage loan account ending **7257**.

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I have not been furnished with any documentary evidence of any discussions which may have taken place between the Provider and the Complainants during the application stage in relation to interest rate options for the mortgage loan account ending **2990**.

Notwithstanding this, it is important for the Complainants to be aware that the Provider was under no obligation to offer them any mortgage or any particular type of mortgage in **2007**. It was a matter for the Provider to decide firstly, if it was willing to offer the Complainants any additional borrowing at the time and secondly, how that offer would be structured.

A **Letter of Approval** dated **7 March 2007** was issued to the Complainants, which details as follows;

<i>Loan Type:</i>	<i>Equity Release 2 Year Fixed Rate SPL</i>
<i>“Purchase Price/Estimated Value:</i>	<i>€370,000.00</i>
<i>Loan Amount</i>	<i>€70,000.00</i>
<i>Interest Rate:</i>	<i>5.15%</i>
<i>Term:</i>	<i>34 year(s)”</i>

The **Special Conditions** to the Letter of Approval details as follows;

“A. GENERAL MORTGAGE LOAN APPROVAL CONDITION 5 “CONDITIONS RELATING TO FIXED RATE LOANS” APPLIES IN THIS CASE. THE INTEREST RATE SPECIFIED ABOVE MAY VARY BEFORE THE DATE OF COMPLETION OF THE MORTGAGE.”

General Condition 5 of the **General Mortgage Loan Approval Conditions** outline;

“CONDITIONS RELATING TO FIXED RATE LOANS

5.1 The interest rate applicable to this advance shall be fixed from the date of the advance for the period as specified on the Letter of Approval, and thereafter will not be changed at intervals of less than one year.

5.2 The interest rate specified in the Letter of Approval may vary before the date of completion of the Mortgage.

...

5.4 Notwithstanding Clause 5.1, [the Provider] and the applicant shall each have the option at the end of each fixed rate period to convert to a variable rate loan agreement which will carry no such redemption fee.”

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General Condition 11 of the **General Mortgage Loan Approval Conditions** outlines the **Conditions relating to “[Name of Product]” Equity Release Loans**. There was no specific condition in the **Conditions relating to “[Name of Product]” Equity Release Loans** in relation to the interest rate applicable to the loan.

The **General Mortgage Loan Approval Conditions** outline;

*IF THE LOAN IS A VARIABLE RATE LOAN THE FOLLOWING APPLIES:
“THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER
FROM TIME TO TIME.”*

I note that the information document in relation to the **Housing Loans under Consumer Credit Act 1995** on the reverse side of each page of the **Letter of Approval** outlines as follows;

*“VARIABLE RATE LOANS
“THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER
FROM TIME TO TIME.””*

The **Acceptance of Offer of an Additional Loan** which was signed by the Complainants on **9 March 2007**, states as follows;

- “1. I/we the undersigned accept the above offer of an additional loan on the terms and conditions set out in*
- (i) the above Letter of Approval;*
 - (ii) the General Mortgage Loan Approval Conditions sent to me/us with the above Letter of Approval, a copy of which I/we have received; and*
 - (iii) where my/our existing loan is secured by an [Provider] or [Provider] form of mortgage (as opposed to a [Provider] form of Mortgage), the mortgage conditions applicable to that mortgage as amended by the General Mortgage Loan Approval Conditions referred to at (i) above.*
- ...*
- 5. I/We confirm that I/we have obtained or been given an opportunity to obtain independent legal advice prior to accepting this offer of an additional loan.”*

The equity release mortgage loan was drawn down by the Complainants on **15 March 2007**.

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It is clear to me from the Letter of Approval that the loan envisioned was an equity release mortgage loan on a 2-year fixed interest rate of 5.15% and thereafter a variable interest rate which could be adjusted by the Provider. The variable rate in this case made no reference to varying in accordance with variations in the ECB refinancing rate, rather it was a variable rate which could be adjusted by the Provider.

If the Complainants did not want to pursue this option because they were unhappy with taking out an additional mortgage loan secured on their private dwelling house, or with the rate applicable to the equity release mortgage, they could have decided not to accept the Provider's offer of the equity release product. Instead, the Complainants accepted the Provider's offer by signing the **Acceptance of Offer of an additional loan on 9 March 2007**.

The Complainants have submitted that *"we did not want a separate mortgage account nor did we want a loan that would be placed against our home"*. They contend that in **2007**, they wanted the existing mortgage loan account ending **7257** and the top-up loan of €70,000 to be *"placed together as one account"* but the Provider advised that this could not be done and instead offered an entirely separate mortgage loan account ending **2990** for the top up loan of €70,000.

It is important for the Complainants to understand that in **February 2007** they were seeking additional lending from the Provider, secured against the equity in the Complainants' property the subject of mortgage loan account ending **7257**. There was no obligation on the Provider to offer the Complainants the amount that they sought to borrow or to structure the lending arrangement as an addition or top up of their existing home loan under mortgage loan account ending **7257**, as the Complainants have suggested.

It is clear from the loan documentation that the type of loan that the Complainants were offered by the Provider in **March 2007** was an equity release loan and this loan, which was drawn down on mortgage loan account ending **2990**, was an entirely separate loan to the Complainants' original mortgage loan account ending **7257**. Therefore, I am of the view that whether or not a tracker interest rate applied to mortgage loan account ending **7257** is irrelevant to the interest rate applicable to mortgage loan account ending **2990**. The variable interest rate applicable to mortgage loan account ending **2990** was clearly outlined in the mortgage loan documentation to be a fixed rate and thereafter a variable rate which could be adjusted by the Provider.

The Provider has submitted into evidence a copy of a published marketing document entitled **Lending Interest Rates**, which is noted as being *"effective from the start of business on the 18th January 2007"*.

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This document outlines as follows;

<i>“Equity Release / Secured Personal Loans</i>	<i>RATE</i>	<i>APR</i>
<i>[Product name] Variable Rate</i>	4.85%	5.0%
<i>Fixed [product name] options available on home loan rates above*</i>		
<i>Secured Personal Loan Variable Rate</i>	6.35%	6.5%”

It is clear from the **Lending Interest Rates** set out above that the interest rates available for equity release loans were variable or fixed rates. The Provider submits that at no point did it offer tracker interest rates on equity release products. In this regard, I accept that the Provider operates as a business and is entitled to set interest rate options for products at its discretion. The Provider was not offering tracker interest rates on equity release products in **March 2007** or at any other time. This was a commercial decision which I cannot interfere with as the Provider was legitimately entitled to make such a decision.

Having regard to the evidence, I accept that the Provider did not offer tracker interest rates on equity release products at that time, or any other point in time, and therefore the Provider was not under any obligation to offer the Complainants a tracker interest rate option on the equity release product option.

I note that on **25 February 2009** the Complainants signed an options form opting to apply the standard variable rate of 3.69% to the mortgage loan account ending **2990**.

The Provider issued a letter to the Complainants on **14 September 2015** which detailed as follows:

“ ...

Re: Account Number [ending] 2990

...

Important: An invitation to you to switch to one of our competitive Managed Variable Rate (MVR) mortgages

We are delighted to invite you and other existing customers of [the Provider] to apply to have the interest rate which you pay on your mortgage switched to an MVR. The exact rate that will apply will vary depending on what percentage of the current value of your home is accounted for by your outstanding mortgage (referred to as “Loan to Value” (LTV) ratio).

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For those who avail of this offer and if approved, based on current rates will lead to a reduction in the rate of interest charged and lower monthly mortgage repayments compared to the Bank's current Variable Rates.

This letter is being issued to you following the announcement by [the Provider] of plans to extend its range of MVR mortgages to existing customers. MVR mortgages offer a lower rate of interest to customers whose mortgage borrowings represent a smaller percentage of the value of the property. For instance where the outstanding amount on the mortgage represents 50% of the current value of the home, the interest rate will be lower than where the outstanding amount represents 90% of the current value of the home. Please see Managed Variable Rates table on page 3 of this letter for further details.

..."

The letter further outlined the managed variable rates available:

<i>"Loan to Value Ratio (LTV)</i>	<i>Managed Variable Rate</i>
<i>Less than or equal to 50% LTV</i>	<i>3.70%</i>
<i>Greater than 50% and less than or equal to 60% LTV</i>	<i>3.80%</i>
<i>Greater than 60% and less than or equal to 70% LTV</i>	<i>3.90%</i>
<i>Greater than 70% and less than or equal to 80% LTV</i>	<i>4.00%</i>
<i>Greater than 80% and less than or equal to 90% LTV</i>	<i>4.20%</i>
<i>Greater than 90% LTV (includes negative equity)</i>	<i>4.30%"</i>

The Complainants have submitted that they telephoned the Provider on **14 October 2015** to advise that *"because the second mortgage account was below 50% LTV that we wanted to avail of the variable rate for that"* and that the Provider *"told me that I could not avail of the rate from LTV below 50% because both accounts needed to be placed together and once this was done, the mortgage amount was above LTV of 50%."*

Page 1 of the Mortgage Switch Application Form detailed as follows;

*"...
(Only one application to be submitted per property)*

..."

All mortgage accounts relating to the property must be included on the application form.

..."

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The **“Important Information”** section of the **Mortgage Switch Application Form** detailed:

“...

Further advances/additional mortgages

All mortgages relating to the property should be included in the application form.

...

This Offer is available to Fixed and Variable Rate home loan customers and excludes Tracker Mortgages.

...”

The **“Terms and Conditions”** section of the **Mortgage Switch Application Form** detailed:

“...

15. Where the borrower has been advanced one or more additional loans which is/or are secured on the Mortgaged Property, the outstanding balances of any such loan or loans will be aggregated for the purposes of calculating the LTV ratio to be applied to the relevant rate band for such LTV ratio in respect of the loan on the Mortgaged Property and the appropriate Managed Variable Rate.”

I note that the Complainants signed the **Mortgage Rate Switch Application Form** on **30 September 2015** on the following terms:

“...

I/We have had the necessary time to consider and query the information provided to me in relation to my/our application. I/We have read and understood the terms and conditions of the Mortgage Rate Switch offer attached to this application form and I/We agree to be bound by them.”

The Provider issued a letter to the Complainants on **8 October 2015** which detailed:

“I write to confirm that the rate of interest applicable to your account has been switched from a Standard Variable Rate to a Mgd Var Rate LTV >90% at 4.300%.

*We will shortly write to you confirming your revised repayments and the date from which they are applicable**

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I trust that the above is to your satisfaction. However should you have any further queries please do not hesitate to contact our [redacted] Mortgage Centre on [redacted].”

Condition 15 of the **Mortgage Rate Switch Form** sets out in a clear and comprehensible manner that in circumstances where the Complainants wished to avail of the managed variable rate, the outstanding balance of both loans secured on the mortgaged property (accounts ending **7257** and **2660**) would be aggregated for the purpose of calculating the Loan To Value ratio to be applied. It is not the case that the Provider determined that *“both accounts are classed as one account”*, as the Complainants have submitted.

While both of the Complainants’ mortgage loan accounts held by the Complainants with the Provider are secured on the same property, they were clearly two separate mortgage loans. It is important for the Complainants to understand that each mortgage loan is governed by the terms and conditions applicable to that particular mortgage loan.

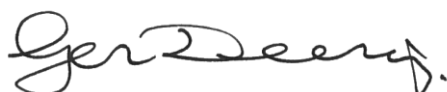
I have been provided with no evidence that the Complainants had a contractual or other entitlement to a tracker interest rate on mortgage loan account ending **2660**. The evidence shows that the choice to take out the mortgage loan account ending **2660** on the terms and conditions offered by the Provider was a choice that was freely made by the Complainants. The Provider was not offering tracker interest rates on equity release products. In light of all the foregoing, I accept that there was no obligation on the Provider to offer the Complainants a tracker rate for their equity release mortgage loan in **March 2007**.

For the reasons set out in this Decision, I do not uphold the complaint.

Conclusion

My Decision pursuant to **Section 60(1)** of the **Financial Services and Pensions Ombudsman Act 2017**, is that this complaint is rejected.

The above Decision is legally binding on the parties, subject only to an appeal to the High Court not later than 35 days after the date of notification of this Decision.



GER DEERING
FINANCIAL SERVICES AND PENSIONS OMBUDSMAN

5 May 2021

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Pursuant to *Section 62 of the Financial Services and Pensions Ombudsman Act 2017*, the Financial Services and Pensions Ombudsman will publish legally binding decisions in relation to complaints concerning financial service providers in such a manner that—

(a) ensures that—

(i) a complainant shall not be identified by name, address or otherwise,

(ii) a provider shall not be identified by name or address,
and

(b) ensures compliance with the Data Protection Regulation and the Data Protection Act 2018.

