

## **The complaint**

Mr A complains about the service provided by a mortgage broker working for First Complete Limited trading as PRIMIS Mortgage Network. In particular, Mr A said the broker didn't tell him about a fee until too late, and tried to force him to take life insurance he didn't need.

## **What happened**

Mr A raised a number of concerns about a broker working under the umbrella of PRIMIS. This broker made Mr A's mortgage application for him in late 2024.

Mr A said the broker never mentioned any fees for the service provided, and he would not have used this broker if he'd been made aware of the fees in advance. Mr A said he'd paid £449, and didn't challenge the fee later because he didn't want to jeopardize his application and risk having to start over again, or find a new mortgage advisor.

Mr A said the broker had also told him he would have to take out life insurance through the brokerage, if Mr A wanted to secure a mortgage. Mr A didn't want to do that, and explained he would have difficulty obtaining this insurance. Mr A said he asked PRIMIS to set out this lender requirement in writing, but the broker wouldn't. Mr A said he felt this was a blatant attempt to mis-sell an extra product, on top of his mortgage.

Mr A sent us the email where he had told the broker he wouldn't take life insurance, and that the broker would have to find him a new lender if that meant this lender wouldn't approve his mortgage. Mr A also sent us the brief response he received. He invited us to infer that the broker must have told him, before the email was sent, that the lender would not lend without this extra product being sold to Mr A. Mr A said we should draw that inference because the reply to his email didn't challenge that suggestion.

Mr A said he'd spoken to a relative who had recommended this broker, and found they had also been told a mortgage offer would be refused if they didn't take life insurance.

Mr A said the broker was incredibly slow at providing updates or chasing the mortgage application. Mr A told us he used the lender's online portal, and managed his application himself. Mr A said he thought the broker should have been chasing the lender, not him. He thought his offer was only made in a normal timescale because of the work he did himself.

Mr A said his broker had agreed to keep an eye on rates, and switch to a lower one if one became available, but Mr A said he was the one who spotted a lower rate and pointed it out to the broker. The broker did then secure this lower rate for him. Mr A said PRIMIS claimed the broker found this rate, but he didn't.

Mr A is unhappy with a number of aspects of PRIMIS' broker's service, but the complaint response from PRIMIS recognises two key allegations – Mr A wasn't told about the broker fee, and that Mr A was told he must take out life insurance if he wanted this lender to accept him. Our investigator said he would focus on these aspects of Mr A's complaint.

PRIMIS didn't accept Mr A's claims. It said Mr A himself worked in financial services, so he would be expecting to receive relevant paperwork, and could easily have raised this at the time, if he didn't get it. But PRIMIS said Mr A did receive information on the firm's fees, twice. He got this information the first time he spoke to the broker, in March 2024, then again in September when he went ahead with an application.

PRIMIS said the mortgage illustration provided by Mr A's prospective lender, dated 5 September 2024, explained there was a broker fee for this application. Mr A's application was submitted on 9 September 2024, and Mr A paid the fee on 11 September 2024. He received an offer six working days after his application.

PRIMIS said the lender's offer noted how important it is to arrange life cover, but that's a generic statement by the lender, not something the broker was involved in. PRIMIS said it was aware Mr A already had cover, but it wasn't enough to pay the mortgage. PRIMIS said its broker had a responsibility to discuss life cover with Mr A, and it thought Mr A had misunderstood this, or perhaps confused it with a discussion about buildings insurance, which is compulsory for any mortgage lending.

PRIMIS said its broker had expressed surprise at the complaint, and particularly as a close family member had recommended the broker to Mr A. That family member had paid a fee to use the service.

PRIMIS said Mr A's mortgage offer was produced quickly, and it didn't know why Mr A would have felt he had to chase the lender for updates, over the course of only six working days.

Our investigator didn't think this complaint should be upheld. He said he wasn't present at any discussions between Mr A and the broker, so couldn't be sure exactly what was said, or whether there had been any misunderstandings. He had to weigh up what was most likely to have happened.

On the broker fee, our investigator said the fee was set out in the fee agreement, which would have been included with the disclosure documents. On balance, he thought it was likely these were sent to Mr A. Our investigator noted there was no evidence Mr A had queried the fee, and said he would have expected him to do so if the fee was only mentioned for the first time late in the process.

Our investigator said it was clear life cover was discussed, but he didn't think it was likely the advisor would have told Mr A that he must take out life insurance to secure this mortgage, because he was already aware that Mr A wouldn't be able to do that. Mr A's history made life cover very difficult to secure.

Our investigator said Mr A's application had proceeded quickly, and he could not evidence Mr A's claim that this was only because of his efforts. Our investigator said he couldn't see anything to suggest the broker caused a delay here. He noted that delays with mortgage applications, when they occur, are more usually caused by lenders than by brokers.

Mr A said he didn't think our investigator had assessed the different probabilities properly. He said there was no evidence that PRIMIS had sent him the disclosure documents, and he thought we should put a lot of weight on that.

Mr A said our investigator's conclusion that he had confused life insurance with buildings insurance didn't take account of the email he had sent, which queried the mandatory nature of life insurance. Mr A said the reasonable expectation here would be that the advisor would have corrected his mistake, but that hadn't happened.

Mr A felt the assumptions our investigator had made, all favoured PRIMIS. Mr A also said he could demonstrate some of PRIMIS' claims were false, because it said the broker had monitored rates and told him about a lower rate, but that was wrong, he'd told the broker about the lower rate. Mr A said that directly undermined PRIMIS' credibility.

Mr A wanted an ombudsman to look at his complaint, and reassess the evidence we had.

Mr A then wrote again, about the brokerage fee. He said a verbal disclosure about the fee had been done only after his offer was accepted and the full mortgage application was underway. Mr A said he felt compelled to proceed then, despite having earlier asked about fees and been told there were none. Mr A said he should have been told about any fees before he made a commitment.

Mr A also said it was distressing to face the attempted mis-selling of life insurance. He thought that our service should recognise that, and compensate him for this.

This case then came to me for a final decision.

### **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.

I've reached the same overall conclusion on this complaint as our investigator.

On the issue of the broker fee, it's not clear whether Mr A maintains, as he said initially, that *"at no point during our discussion did any applicable fees get mentioned"* or whether he's now saying that fees were mentioned, and he was clearly told there wasn't one. But it is clear that Mr A's contention now is that he wasn't told there was a fee until very late in the application process.

I don't think that's most likely to be what happened here, because I can see that the mortgage illustration PRIMIS secured for Mr A, and the written recommendation it made at that time, both clearly refer to a broker fee of £449 payable as part of this application. A mortgage illustration is one of the very first steps in securing a mortgage, it's issued by the lender before a full application is made or an offer is issued.

I don't think it's likely that neither the mortgage illustration nor the recommendation documents were shared with Mr A as part of his application, before he decided to go ahead with this lender. So I'm not able to say that it's most likely Mr A was not made aware of any broker fee before his application was at an advanced stage.

Mr A says there must be doubt about whether documentation was sent to him at the outset, explaining that this brokerage charges a fee. I don't know whether that happened or not. But I think the most important question here is whether the brokerage made Mr A aware of how much the brokerage fee would be, before proceeding with his application, and before any offer was made. And I do think he was given documentation which clearly told him about that fee, before he made his application. So I don't think it would be fair and reasonable to ask PRIMIS to refund that fee now.

Mr A said when considering what he'd said about life cover, our service had not given sufficient weight to an email he sent, saying *"If [the lender] are adamant that I need to take out new cover to get their mortgage deal then you'll need to look at alternative lenders for me"*.

I do think this is unlikely to have been a response to wording about the importance of life insurance in the lender's offer, because this email appears to have been sent before that offer was made. But what Mr A said in his email just doesn't show me that Mr A had definitely been told that life insurance was compulsory, as he maintains, rather than discussed by the broker and strongly encouraged by lenders, as PRIMIS has noted. So the lack of any clear rebuttal in any reply to this email does not, in my view, carry the weight that Mr A has suggested.

The allegation that PRIMIS' broker tried to sell Mr A an additional product that he didn't need, saying he wouldn't get a mortgage without this, is a serious one. But I think it's important to note that PRIMIS' broker was already aware of a good reason not to do that. The broker had been told already about something in Mr A's history (which I do not need to set out here) which meant Mr A found it very difficult to secure life insurance.

So it's hard to see why the broker would have insisted to Mr A, quite wrongly, that he needed to take life insurance to get his mortgage, when the broker already knew Mr A wasn't likely to be able to comply with that requirement, even if he wished to. In essence, I cannot see a motive for the broker to act in the way Mr A alleges. And for that reason, I don't think it is most likely that Mr A's broker told him he was obliged to take out life insurance, and would be turned down for a mortgage if he didn't do so.

Mr A said he could show that PRIMIS had lied to our service, because he said it claimed to have told him about a reduction in interest rates that he secured before his mortgage was drawn down. Mr A has shown us he emailed the broker about this, rather than the other way around. But PRIMIS didn't claim it had alerted Mr A to this change. It does claim that its broker was monitoring rates for Mr A, and it says that a lower rate was then secured for him, but its letter is silent on whether Mr A had contacted the broker about the rate change.

I understand why Mr A might think PRIMIS has implied here that its broker noticed the interest change and acted upon it of his own accord, but that isn't actually what was said. I don't think it would be fair and reasonable for me to infer from what was said, that PRIMIS has denied Mr A took any role in monitoring rates for his own upcoming mortgage, and therefore, is lying. And if I'm not able to make that finding here, that means I also cannot draw the wider inferences about PRIMIS' dishonesty from this, that Mr A has suggested.

Mr A also cast doubt on the service provided by the broker, saying he felt he did most of the work in chasing the lender, until his offer was issued. However, there is often little a broker can do to speed up an offer, once a lender has full documentation and the application is under consideration by the lender. And in this case, an offer seems to have been made very quickly indeed, within six working days. So I'm not able to say that Mr A's apparently very proactive approach to this application, is an indicator of unacceptably poor service by the broker.

I know that Mr A will be disappointed, but I don't think this complaint should be upheld.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 16 December 2025.

Esther Absalom-Gough

**Ombudsman**