

## **The complaint**

Mr W complains that Topaz Finance Limited trading as Hyalite Mortgages hasn't accepted a promissory note he sent it to pay his mortgage. He also complains that Hyalite isn't his lender, because he didn't agree to the mortgage being transferred from the previous lender, and that Hyalite has continued with legal action to take possession of the mortgaged property.

## **What happened**

Mr W took out his mortgage with Mortgage Express in 2008. The mortgage fell into arrears and in 2022 Mortgage Express took legal action to recover the debt. In 2023 the mortgage was transferred to Hyalite.

Mr W has made several complaints about his mortgage over the years, initially to Mortgage Express and later to Hyalite. Final response letters were sent to him about the complaints. In August 2025 Mr W got in touch with us. He said that the transfer of his mortgage from Mortgage Express to Hyalite was illegal because he didn't agree to it, Hyalite shouldn't have taken legal action, and Hyalite should have accepted the promissory note he sent it as this was a legitimate method of payment.

Our Investigator found that Mr W had referred his complaints about the assignment of his mortgage to Hyalite and the legal action it had taken to us more than six months after Hyalite sent him its final response to those complaints. He said this meant we could only look into Mr W's complaint that Hyalite didn't accept his promissory note, and he didn't recommend that the complaint should be upheld.

Mr W didn't accept the Investigator's conclusions and asked for a review. He thought we should look at all of the complaint and that Hyalite should have accepted the promissory note in settlement of his mortgage.

The complaint has been referred to me to decide. I issued a decision to confirm the scope of my power to consider this complaint. I concluded that I can't look into Mr W's complaint about the transfer of his mortgage to Hyalite and the legal action Hyalite took, because Hyalite responded to that complaint in a final response letter on 1 March 2024 – so Mr W had referred that complaint to us too late, outside the six-month time limit in the letter.

I said that I can consider the complaint Hyalite responded to in its final response letter dated 4 April 2025 – that is, that it didn't accept the promissory note Mr W sent it in settlement of the mortgage debt. This final decision is to set out my conclusions about that.

## **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.

In October 2024 Mr W sent Hyalite a promissory note. He says this is a legitimate method of payment and Hyalite should have accepted it to settle the mortgage debt. Hyalite didn't

accept it. It returned the note to Mr W and it wrote to him explaining that the note wasn't legal tender and the case law he was seeking to rely on didn't mean what he thought it meant.

I have to tell Mr W that I agree with Hyalite. Where a creditor agrees to accept a promissory note, the debtor is legally required to pay it. But a creditor isn't required to accept it instead of actual payment.

A promissory note isn't legal tender; it's a promise to pay. But Mr W had already promised to repay the money he borrowed under the mortgage by accepting the loan agreement. The promissory note didn't change or add anything to that.

For these reasons, I can't fairly uphold this complaint. I realise that Mr W is in a very difficult position with significant mortgage arrears, but I find no basis on which I can reasonably conclude that Hyalite shouldn't be entitled to seek recovery of the mortgage debt.

### **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 Mr W to accept or reject my decision before 17 March 2026.

Janet Millington  
**Ombudsman**