

# Revolving mortgage

Our approach to meeting the Products and Services  
Outcome and Price and Value Outcome  
– Information for distributors of the Product



---

February 2024

This summary document is being provided to you to fulfil our responsibilities under PRIN 2A.4.15R and PRIN 2A.3.12R(2).

It is designed to support you to comply with your responsibilities under PRIN 2A.3.16R and PRIN 2A.4.16R. Please note that you are ultimately responsible for meeting your obligations under 'The Consumer Duty'.

**This information is intended for intermediary use only and should not be provided to customers.**

## 1. Summary of our assessment

We have assessed that:

- Our Revolver Mortgage product range continues to meet the needs, characteristics, and objectives of customers in the identified target market.
- The intended distribution strategy remains appropriate for the target market.
- The Product provides fair value to customers in the target market (i.e. the total benefits are proportionate to total costs).

## 2. Product characteristics and benefits

The products are designed to meet the needs of the target group, most notably the need to raise liquidity up to an approved limit as and when it is needed secured on a main residence. The product features and criteria are designed to support these needs.

- Tracker
- Interest-only
- Ability to repay and redraw
- Interest paid only on drawn amount
- Mortgage term up to 9 years
- Loan-to-Value up to 75%
- Available on new and existing homes
- Available to target market clients with a minimum annual gross income of £300,000 and net worth of £3 million

Full eligibility criteria can be accessed on our intermediary website via this [link](#).

### 3. Target market assessment and distribution strategy

This target market assessment matrix segments the target customers for the Product, recognising their different needs to enable you to tailor the services you provide when you distribute the Product.

CUSTOMER CIRCUMSTANCES	DISTRIBUTION STRATEGY	CUSTOMER NEEDS AND OBJECTIVES
Looking for a tracker revolving mortgage	Available through Direct and Intermediary* channels.  Applications can be through advised sale and execution-only for HNW clients.	<ul style="list-style-type: none"> <li>• To cater for clients who need to raise liquidity as and when it is needed</li> <li>• To cater for clients who want more flexibility or consider that interest rates will fall over a relevant time horizon by tracking Investec Bank plc's base rate</li> <li>• To repay the capital at the end of the mortgage term</li> </ul>

\*Intermediary distribution through:

- Networks and their Appointed Representatives
- Directly authorised mortgage intermediaries

All intermediaries must be registered with us.

The Product is not designed for customers who:

- Are purchasing a property to let or not otherwise use as the principal primary residence or a second home
- Are planning on being fully drawn for the full term of the mortgage
- Are wanting to guard against adverse rate movements by fixing their costs for a defined period
- Are requiring financing to develop their property
- Do not meet our target market criteria
- Do not meet our lending or property criteria

### 4. Customers with characteristics of vulnerability

The Product is designed for the Revolver market segment, which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

We considered the needs, characteristics, and objectives of customers with characteristics of vulnerability at all stages of the design process for this Product to ensure the Product meets their needs.

We have also tested the Product to assess whether it will meet the identified needs, characteristics, and objectives of the target market, including customers in the target market who have characteristics of vulnerability.

We have in place a framework to achieve good outcomes for vulnerable customers, which includes:

- Easy-to-access guidance, as well as education and training for our staff to ensure they have the appropriate skills and experience to recognise and respond to the needs of vulnerable customers
- Client relationship managed by a named private banker

- Suitable customer service provision and communications
- Flexible policies, where appropriate, to support vulnerable members
- Monitoring to ensure we continue to meet and respond to the needs of customers with characteristics of vulnerability

Intermediaries should continue to comply with your obligations to ensure that you treat customers in vulnerable circumstances fairly.

Please contact us if you need any further information about how we support the needs of all our customers in relation to the Product.

## 5. Our assessment of value

We have developed a comprehensive and robust assessment process which evaluates several aspects of our business to determine the value of our mortgage product. This analysis is used to ascertain whether the Product delivers fair value for customers.

The outcomes of the assessment process are presented to the applicable approval committee, allowing for challenge and further investigation before we sign-off the outcomes and share the summary of our assessment with you.

Our fair value assessment has considered the following:

BENEFITS	PRICE	COSTS	LIMITATIONS
The range of features that the Product provides, the quality of the Product, the level of customer service that is provided and any other features that the Product may offer.	The interest rates, fees and charges customers pay for the Product, comparable market rates, fees paid to intermediaries and non-financial costs associated with operating the Product.	The cost of funding the Product and any other reductions in costs to the customer made possible by economies of scale.	Any limitations on the scope and service we provide or the features of the Product.

### Results of our assessment

Our assessment concluded that the Product continues to deliver fair value for customers in the target market for the Product.