

Product Name:	Expat Buy-to-Let Mortgages
Information Sheet Produced:	April 2023

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

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

It is designed to support you to comply with your responsibilities under PRIN 2A.3.16 R and PRIN 2A.4.16 R. 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 expat. Buy-to-let 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 & benefits

The products are designed to meet the needs of the target group, most notably their need to secure a mortgage on a property they will rent out to tenants under an ASTA, whilst living or working abroad. The product features and criteria are designed to support these needs.

- A mortgage loan product available to new borrowers looking to purchase a new property or remortgage to us, and existing members looking to product transfer or take additional borrowing.
- After the initial product period, the product will revert to either a stepped (revert to) rate or to our Standard Variable Rate (SVR) for the remaining term of the mortgage.
- The product may require the payment of a product fee on application or completion, and may carry an Early Repayment Charge if the borrower redeems the mortgage during the initial product period.
- The product may allow repayment of a percentage of the capital balance without incurring Early Repayment Charges. This will be indicated on the ESIS document.

Full eligibility criteria can be accessed on our intermediary website using the link below:

<https://www.suffolkforintermediaries.co.uk/lending-criteria/>

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 & Objectives
<p>Borrowers who are over the age of 18.</p> <p>Borrowers who reside outside of the UK, or who are paid in a currency other than Pound Sterling. (For joint-borrowing, at least one borrower must reside outside of the UK or be paid in a currency other than Pound Sterling).</p> <p>Borrowers who are seeking to let their property under an ASTA.</p>	<p>Available through Direct, Intermediary & Online channels</p> <p>This product is intended for distribution via FCA authorised mortgage intermediaries or by contacting us directly.</p> <p>Intermediary firms must be registered with us.</p> <p>Intermediaries may charge reasonable fees for their service/s in relation to our products.</p>	<p>Both new borrowers looking to purchase a new property or remortgage to us, and existing members looking to product transfer or take additional borrowing.</p> <p>Borrowers who are seeking a fixed rate of interest that offers security in their monthly payments for an initial period, OR who are seeking a variable rate of interest in order to benefit from any rate reductions that may occur.</p> <p>Borrowers who are seeking to let their property under an ASTA.</p> <p>Borrowers who are seeking a repayment mortgage to clear the capital by the end of the term, OR who are seeking a mortgage with any element of Interest Only borrowing with a suitable repayment vehicle in place to clear at the end of the term.</p>

This Product is not designed for:

- Borrowers who live in the UK and get paid in sterling. (For joint-borrowing, at least one borrower must reside outside of the UK or be paid in a currency other than Pound Sterling).
- Borrowers who will live in the security property.
- Properties that will be rented through a limited company or other commercial enterprise.
- Credit impaired borrowers
- Borrowers who may have/wish to repay their mortgage early.
- Borrowers who do not meet our lending criteria.

4. Customers with characteristics of vulnerability

The Product is designed for consumers residing abroad looking to secure a mortgage on a property they will rent out to tenants under an ASTA, which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

We considered the needs 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.

Distributors should take account of individual customer needs and circumstances, and the needs of less experienced borrowers, such as First Time Buyers, who are less likely to have a comprehensive understanding of mortgages or the mortgage market. Customers with characteristics of vulnerability may require additional advice and support to ensure they understand the information being presented to them, and the implications of the arrangement they are entering into, to reduce the risk of harm occurring.

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 Vulnerable Customer Working Group, a cross-department group that works to support the business to achieve good outcomes for vulnerable customers. Our work to support vulnerable customers includes:

- Education and training for our staff to ensure they have the appropriate skills and experience to recognise, understand, and respond to the needs of customers with characteristics of vulnerability.
- Suitable customer service provision and communications.
- Flexible policies, where appropriate, to support vulnerable members and potential 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 our Product Development Group and our Board, 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 uptake and quality of the Product, the level of customer service that is provided and impact on the product features as a result of any relevant external (economic) trends or occurrences.	The interest rates, fees and charges customers pay for the Product, comparable market rates, advice 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, the levels of penalties incurred through breaches of product conditions.

Results of our assessment

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