



Product name: Standard Variable Rate (SVR)

Information sheet produced: April 2024

Our approach to meeting the Products and Services Outcome and Price and 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’ rules.

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

1. Summary of our assessment

We have assessed that:

- the 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 range 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. The product features and criteria are designed to support these needs:

- SVR is offered as a reversionary rate to all current products
- the product is available for additional borrowing
- one standard valuation included
- as the rate is variable there is potential for the rate to increase or decrease
- unlimited overpayments without paying an Early Repayment Charge (ERC)
- ability to repay the mortgage early, without paying an ERC
- capital and interest repayment
- portable.

Full eligibility criteria can be accessed on our intermediary website, **here**.

3. Target market assessment and distribution strategy

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

Customer circumstances	Distribution strategy	Customer needs and objectives
Coming to an end of their existing deal.	Don't need to take any action, their product will automatically revert onto SVR.	<ul style="list-style-type: none"> Flexibility to make unlimited overpayments without having to pay an ERC.
Looking for additional borrowing.	Available through Direct and Intermediary channels (advised only).	<ul style="list-style-type: none"> Ability to repay the mortgage or switch without having to pay an ERC. Repay capital and interest to ensure mortgage is repaid at the end of the term. Understand the possible fluctuation in rate and the impact on mortgage payments. Available for customers who may want additional borrowing.

The product is not designed for customers who:

- are looking for reassurance that their interest rate is fixed for an agreed period
- would like to take additional borrowing on an interest-only basis
- don't meet our lending criteria.

4. Customers with characteristics of vulnerability

The products are designed for general application across the residential property market, 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 these products to ensure the products meet their needs.

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

Borrowers must be made aware as the SVR is variable, there is potential for the interest rate to increase/decrease over the lifetime of the product. Customers should be made aware that there might be other products available.

Intermediaries should continue to comply with their obligations to ensure that they deliver good outcomes for customers in vulnerable circumstances.

Please contact us if you need any further information about how we support the needs of all our customers in relation to the products. You can access a guide to supporting clients with vulnerabilities [here](#).

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 products. This analysis is used to ascertain whether the products deliver fair value for customers.

The outcomes of the assessment process are presented to the Product Approval Group, 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 products provide, the quality of the products, the level of customer service that is provided and any other features that the products may offer.	The interest rates, fees and charges customers pay for the products (including ERC's, where applicable), comparable market rates, procurement fees paid to intermediaries and non-financial costs associated with operating the products.	The cost of funding the products.	Any limitations on the scope and service we provide or the features of the products.

Results of our assessment

Our assessment concluded that the products continue to deliver fair value for customers in the target market for the products.

Information correct: April 2024.

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