

**Product Name:** Residential Second Charge Residential Mortgages  
**Information sheet produced:** 01/10/2024

## Information for distributors of the Product

### Our approach to meeting the Products & Services Outcome and Price & Value Outcome

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

It's designed to support 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've assessed that

- Our residential second charge 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, homeowners with less than perfect credit.

The product features and criteria are designed to support these needs which includes:

- Re-mortgage an existing property
- Capital raise to fund debt consolidation, home improvements or property purchase
- Mortgage term from 2 to 30 years
- Various fixed and variable rate options
- Product fees can be added to the loan advance
- 10% annual overpayment allowance
- Further advances subject to account conduct

Full eligibility criteria can be found on our intermediary website:

[www.springfinance.co.uk/intermediaries-document-library](http://www.springfinance.co.uk/intermediaries-document-library)

## 3. Target market assessment and distribution strategy

This target market assessment matrix segments the target market 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
Customers with less than perfect credit that may have been declined by banks or high street lenders	Available through intermediary channels only	<ul style="list-style-type: none"> <li>• Fixed costs for a defined period or flexibility of a tracker rate</li> </ul>
Customers with high levels of equity looking to capital raise a smaller amount than a traditional first charge mortgage	Applications can be through an advised sale only	<ul style="list-style-type: none"> <li>• Ability to repay the capital by the end of the mortgage term</li> </ul>
Customers with non-standard income	All intermediaries must be registered with us	<ul style="list-style-type: none"> <li>• Ability to capital raise</li> </ul>

The Product is not designed for customers who:

- Are non-UK residents
- Want a loan term of less than 2 years
- Are unable to evidence their income
- Want an interest only mortgage
- May wish to port their mortgage to another property

#### 4. Customers with characteristics of vulnerability

The Product is designed for numerous borrower types including customers with characteristics of vulnerability or those who may 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 in place a framework to achieve good outcomes for vulnerable customers, which includes:

- Training and educating our staff to ensure they have the necessary skills and experience to recognise and respond to the needs of vulnerable customers
- Suitable customer service provision and communications
- Flexible policies, where appropriate, to support vulnerable customers
- 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 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 allow for challenge and further investigation before we sign off the outcomes and share the summary of our assessment with you.

Benefits	Price	Costs	Limitations
The range of features that the product range provides, the quality of the product range, the level of customer service that is provided and any other features that the product range may offer	The interest rates, fees and charges customers pay for the Product, comparable market rates, advice fees paid to intermediaries and nonfinancial 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.