

Lender name: United Trust Bank Ltd.

Product name: Regulated Bridging

Information sheet produced: 28/04/2023

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 Regulated Bridging 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 & benefits

The Products are designed to meet the needs of the target group, most notably the need to secure short-term finance on their home. The Product features and criteria are designed to support these needs. This includes:

- Purchase of a new property whilst selling an existing property.
- Raising funds on an existing property for light refurbishments to their home.
- Restructuring a property portfolio or releasing capital for other investments.
- Where the time scale for the transaction do not allow for a standard term mortgage to be obtained (e.g. auction purchase, contractual completions due).
- Use of multiple securities can be accepted.
- Interest rate fixed for the term.
- No monthly payments required. Daily interest rolled up to the end of the term.
- No Early Redemption Charge after the first 30 days.

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
The target market is for customers who want to bridge the gap between the purchase of a new property and the sale of an existing one.	UTB have decided that the Product is not available direct to customers and is not available unless the customer has received regulated mortgage advice via an intermediary. Intermediary distribution is through: <ul style="list-style-type: none"> • Networks and their Appointed Representatives • Mortgage clubs • Directly authorized mortgage intermediaries All intermediaries must be registered with UTB prior to submission.	To raise funds to purchase a property whilst owning another property. To secure a purchase property quickly without waiting for another property to sell. To raise funds for home improvements. To fix monthly outgoings and repay the loan within the 12-month term. Where the time scale for the transaction are short.



This Product is not designed for customers who:

- Want a Bridging Mortgage for longer than 12 months.
- Want to using an unregulated asset(s) as the security
- Want to repay the loan via monthly repayments
- Want to repay the loan within 1 month
- Have severe adverse credit history
- Want to use the Bridging Mortgage to credit repair
- Who does not have the means to repay the loan in full at the end of the term

4. Customers with characteristics of vulnerability

The Product is designed for the Regulated Bridging sector which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

Some customer cohorts, such as first time Bridging customer's, are less likely to have a detailed understanding of a Bridging Product or the wider mortgage market. They therefore may require additional support and advice to ensure that they understand the information being presented to them and the implications of the arrangements they are entering into to reduce the risk of harm occurring. All Bridging customers in addition to the regulated advice received must receive independent legal advice.

In addition some cohorts of customer who are consolidating secured and unsecured debt may currently be suffering emotional stress as a result of the debts they currently have as a result of limited financial resilience. Such customers may require additional support and sign posting to ensure that they fully understand the information being presented and the risks associated to transfer unsecured debt to their homes.

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

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

- 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
- Vulnerable customer Champions to ensure that best practice is shared across the Bank
- 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. This includes informing the Bank, where consent has been obtained, of any customer vulnerabilities identified during the sales process.

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

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United Trust Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We are covered by the Financial Services Compensation Scheme and the Financial Ombudsman Service. We are members of UK Finance, the Finance & Leasing Association and the Association of Short Term Lenders, Patrons of the NACFB and Associates of the Financial Intermediary & Broker Association (FIBA).



customers.

The outcomes of the assessment process are presented to the Bridging Management 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
<p>No monthly payments required. Interest calculated daily and payable at the end of the term.</p> <p>Interest rate fixed for term.</p> <p>No early repayment charges.</p> <p>No maximum age limit.</p> <p>Purchase a new property pending the sale or marketing of an existing property.</p> <p>Complete home improvement projects.</p>	<p>UTB have benchmarked the price of the Product by external tools and resources and deem it appropriate for the target market.</p>	<p>UTB has taken all the relevant costs into considerations and deem them fair value.</p>	<p>All regulated bridging Products contain the following limitations:</p> <ol style="list-style-type: none"> 1. The Bridging loan must be repaid within 12 months. 2. Serviced loan is not available. 3. The Bridging Loan is not portable to another property

Results of our assessment

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