

Lender: Tipton & Coseley Building Society

Product name: Shared Ownership, owner occupier range – includes first time buyers, home movers, and product transfer customers.

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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 Shared ownership owner occupier 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 those that may only be able to afford a small initial share in the property of between 25% - 75%, making ownership more accessible. Borrowers have the option to increase their ownership of the property if they choose and can afford to do so via the schemes staircasing option. The product features and criteria are designed to support these needs. Characteristics can include:

- Cashback;
- Valuation contribution;
- Assisted legals;

- Up to 10% overpayment facility;
- Early repayment charges;
- Product rate floors; and
- Product fees.

There are products available for purchase, and product transfer.

Full eligibility criteria can be accessed on our intermediary website via at www.thetipton.co.uk/intermediaries/residential-lending-criteria-1/.

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.

New Mortgage Customers		
Customer Circumstances	Distribution Strategy	Customer Needs & Objectives
First time buyers new to Tipton looking to purchase their first residential property in England.	Available through Intermediaries on an advised basis only.	To purchase and become a homeowner. Obtaining a mortgage on a share of the property, between 25% - 75% of the property value and pay rent on the remaining share to a registered social landlord or housing association.
Home movers / remortgage customers looking to finance a shared ownership residential property in England to Tipton.	Available through Intermediaries on an advised basis only.	To a purchase / refinance a percentage of a shared ownership property, of between 25% - 75% of the property value and pay rent on the remaining share to a registered social landlord or housing association.
Existing Mortgage Customers		
Customer Circumstances	Distribution Strategy	Customer Needs & Objectives
Existing Tipton customers coming to the end of their existing mortgage product.	Available through Intermediaries on an advised or execution only basis (dependant on circumstances).	To secure a new mortgage product once their existing product comes to an end.

The Product is not designed for customers who:

- Are purchasing a buy to let property;
- Are purchasing 100% of a property;
- Are looking for a mortgage with no borrower deposit;
- Do not meet our lending or property criteria;

- Are looking to borrow into retirement;
- Are looking to borrow for a second home; or
- Are looking for a self-build mortgage.

4. **Customers with characteristics of vulnerability**

The Product is designed for home buyers that may only be able to afford a small initial share in the property of between 25% - 75%, making ownership more accessible, those looking to remortgage their existing shared ownership mortgage to a new lender and existing Shared Ownership Tipton members looking for a new product which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

[Any vulnerabilities relevant to the target group(s) & frameworks/strategies in place to ensure good outcomes].

First time buyers are less likely to have a comprehensive understanding of mortgages and the mortgage market, therefore they 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.

Existing homeowners may have a greater understanding of how a mortgage works but may have other vulnerabilities which may impact on their ability to understand the process of a home move and therefore require additional support.

We considered the needs, characteristics and objectives of customers with characteristics of vulnerability at all stages of the design process for this product range to ensure the products meet their needs.

We have an existing framework in place to achieve good outcomes for customers including those with characteristics of vulnerability which includes:

- Staff training to ensure they have appropriate skills and experience to recognise and respond to the needs of vulnerable customers;
- Suitable customer service provision and communications;
- Policies where appropriate to support vulnerable members; and
- 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 range.

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 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
Benefits are discussed in the above assessment and include the features the product range provides, the level of customer service, and any other relevant features.	The interest rates, fees, and charges customers pay, comparable market rates, procuration fees paid to intermediaries and non-financial costs associated with operating the product.	When offering a product to the market, the following considerations are given: <ul style="list-style-type: none"> • Interest rate; • Fees and charges (including ERCs); • Reversion rates (SVR); • Risk associated with LTV; • Product term; • Product floor rates; • Estimated losses; • Return on Capital Invested; • Likely movements in base rate; • SWAP rates; and • Procuration fees. 	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 range.