

Fair Value Assessment Form

Product name: Credit Restore

Information sheet produced: 19th May 2025 Effective date 19th May 2025 Next review date 30th April 2026

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 Credit Restore product 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, The product features and criteria are designed to support these needs.

- Available to Individuals
- The Credit Restore range is available up to the LTV of 75%
- PAYE employees only.
- Earned income considered up to age 75 based on plausibility of job role
- Mortgage term up to 40 years
- Capital Repayment only.
- New build or resale
- Available for purchase or re-mortgage
- Overpayment allowed of 10% of the capital balance per annum.
- Fixed and discount products.
- No age restriction
- Must be a life event that caused the outbreak of adverse that the client has worked to correct since occurrence.
- Underwriter's discretion used to gauge plausibility of reasoning.

Full eligibility criteria can be accessed on our intermediary website via [Buckinghamshire Building Society \(bucksbs.co.uk\)](https://bucksbs.co.uk)

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
Individual who has suffered a life event or poor financial management of debts, resulting in some heavy adverse credit which is now ended or showing significant improvement.	Available through Direct and Intermediary	<ul style="list-style-type: none"> • 75% LTV or under • Term up to 40 years • Looking to obtain a mortgage after a period of adverse credit. • To realise home ownership dream where some high street lenders may not be an option. • To consolidate any adverse accounts that have shown signs of repair if it makes financial sense to do so.
Intermediary distribution through: <ul style="list-style-type: none"> • Networks and their Appointed Representatives. • Mortgage clubs. Directly authorised mortgage intermediaries. Direct to the society via our Direct Adviser 		

The Product is not designed for customers who:

- Are self-employed.
- Need more than 75% LTV.
- Do not fit the criteria in the impaired credit column on the Bucks Credit Matrix.
- Intend to let the property in any capacity.
- Applicants who need to add fees to loan that exceed maximum LTV

4. Customers with characteristics of vulnerability

The Product is designed for impaired applicants which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

Impaired credit customers are likely to have a limited experience of mortgages or the mortgage market as they may have been shut out for some time due to their credit situation. 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. If an applicant is remortgaging for debt consolidation reasons both options need to be considered i.e., the cost of clearing the debt over the term vs the cost of leaving the debt outstanding. As these applicants will have high impaired credit issues there still may be other options to help that should be considered i.e., arrangement with current debtors to reduce payments, DMP or referring to a debt support agency for further advice. With debt consolidation the society clears the debt for the applicants on completion this ensures that the debt is repaid and not relying on the applicants having to do this.

We consider 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. Our manual underwriting approach allows the DIP and underwriting team to satisfy any concerns that they have around the applicants understanding of what they are agreeing to. With all Impaired cases an explanation is required as to what happened for the applicant to have credit issues, as part of the process this will be reviewed to ensure that we feel as a society that by proceeding we are helping the applicants and not adding to the debt issues and to if any further support may be required/



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:

- 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.
- 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.
- Accessible tools on the website to help – Recite me
- Conduct risk monitoring.
- Review of product launches to ensure the product is appropriate and matches the approval brief.
- The society take care when interacting with vulnerable borrowers by using the TEXAS protocol.

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 mortgage pricing model takes into account the following inputs; proposed product price and fee, product tranche size, cost of funds, direct origination costs (adjusted by niche based on its operational complexity), Origination fees (PROC and MIG as applicable), wider operating costs, expected credit risk cost and risk-adjusted capital require (adjusted by lending category), plus assumptions around loan sizes and expected LTV distributions based on recent lending benchmarks.

The assessment follows a detailed and robust product approval process which determines the outcome including market analysis, products been checked via the pricing model and intermediary feedback. Smart Money Feedback is also reviewed to help determine the correct outcome.

The outcomes of the assessment process are presented to Mortgage Product Committee and Management Assets & Liabilities Committees for approval 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
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<p>The range of features that the product provides, the quality of the product, the level of customer service that is provided and any other features that the product may offer.</p>	<p>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.</p>	<p>The cost of funding the Product and any other reductions in costs to the customer made possible by economies of scale.</p>	<p>Any limitations on the scope and service we provide or the features of the product.</p>
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Below is an example of the information reviewed and taken into consideration when completing the assessment:

- Product performance
- Operational performance
- Product governance
- Fees and charges (Product) subject to annual review and governance
- Customer experience insight and data
- Customer outcomes testing
- Customer complaints
- Product risk assessments
- Colleague education and training
- Customer in Vulnerable Circumstances Policy

Results of our assessment

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

You are responsible for meeting your obligations under Consumer Duty

