



Product name: Additional Borrowing Products

Information sheet produced: 15/04/2025.

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 Additional Borrowing product range has been designed to meet the needs, characteristics, and objectives of customers in the identified target market.
- The intended distribution strategy is 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 target market is broad but comprises of existing customers seeking additional funding for various purposes such as property renovation/repair, lifestyle events or to pursue other financial goals. The target market is defined by the customers origination (primary) product/scheme.

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

- Standard Early Repayment Charges apply if the additional borrowing is redeemed within a fixed rate product, tapered charges apply.
- 10% capital repayments are allowed each year without incurring an Early Repayment Charge.
- Rate switch available at the end of additional borrowing product term.
- Ability to transfer the product to a new property without incurring Early Repayment Charges (porting).
- A range of fixed rate products are available in addition to SVR variable rate product.
- Products with/without fees (subject to product availability).
- Standard valuation fee included.
- Customers benefit from online support and a contact centre open from Mon - Fri: 8am - 6pm and Sat: 9am - 5pm.

Full eligibility criteria can be accessed on our intermediary website via link – [Leeds Building Society Intermediary webpage](#).

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
<ul style="list-style-type: none"> Customers looking to take out additional borrowing against their mortgaged property. Applicants must meet affordability and eligibility criteria. 	<ul style="list-style-type: none"> Intermediaries* (Advice) 	<ul style="list-style-type: none"> Ability to release equity from an existing residential home for a variety of purposes such as property renovation/repair, lifestyle events, debt consolidation or to pursue other financial goals. Ability to take a loan against their residential property to secure lower interest rates/cost (driven by lower lender risk) than alternative unsecured options. Ongoing support from LBS throughout the mortgage lifecycle Flexibility to make future changes to their additional borrowing mortgage part.
<p>*Intermediary distribution through:</p> <ul style="list-style-type: none"> Networks and their Appointed Representatives. Mortgage clubs. Directly authorised mortgage intermediaries. <p>All intermediaries must be registered on the Society's broker panel.</p>		

The Product is not designed for customers who:

- Would benefit from their needs being met more appropriately by specialist mortgage products.
- Do not meet our product, lending or property criteria.

Key exclusions are:

- Customers who do not have a satisfactory history of managing credit or are currently in arrears with their existing mortgage.
- Customers who do not have sufficient sustainable income to ensure repayment of the mortgage.
- Customers who do not meet the Society's Lending Criteria.
- Customers requiring a loan which takes their loan to value (LTV) outside the current permitted LTV's for remortgages (currently 90% / 85% HTB).
- Customers requiring anything outside of additional borrowing standard criteria (i.e. Customers on Income Plus products would be subject to additional borrowing criteria only).

4. Customers with characteristics of vulnerability

These products are not specifically targeted at customers with characteristics of vulnerability although it is acknowledged and expected that customers with vulnerable characteristics may require additional borrowing on their mortgage. The needs of all vulnerable customers are considered on an individual basis and in line with the Society's Vulnerable Customer Standards.

We have 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 will monitor and assess the Product to ensure it meets the identified needs, characteristics, and objectives of the target market, including customers in the target market who have characteristics of vulnerability.

We have a framework in place 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.

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 will deliver fair value for customers.

The outcomes of the assessment process are presented to our formal governance 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
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.	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.	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 is expected to deliver fair value for customers in the target market for the Product.