

Want to know  
more about how  
we can help your  
clients?

# **Product name: Kent Reliance Extra Flex**

## **Information sheet produced: 18 April 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 Extra Flex 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 those customers who may need a little extra flexibility. The product features and criteria are designed to support these needs.

Manual Underwriting

Defaults and CCJs allowable to an extent and ignored in certain situations

Debt Management Plans (DMPs) accepted if conducted for minimum of 12 months

Some missed mortgage payments and secured arrears allowable

Up to 85% LTV (might be restricted to 80% in some situations)



Up to 35 year mortgage term

2,3 & 5 year fixed options available to give customers a choice and ability to fix their monthly payment

Overpayments up to £499 per month allowed without an ERC

Unlimited maximum loan

Available for purchase and re-mortgage

Full eligibility criteria can be accessed on our intermediary website via this link.

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### 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

Customer had a CCJ 14 months ago due to a life event that is now satisfied

Available through Intermediaries only.  
Applications are only accepted on an advised basis.

Homeownership or remaining in their existing home with a better mortgage deal than they currently have  
Want to repair their credit profile in order to have a greater choice of financial products in the future  
Want surety of how much they are paying each month  
Have complex income that needs to be understood

Customer had an IVA that was discharged 3 and half years ago

Available through Intermediaries only.  
Applications are only accepted on an advised basis.

Homeownership or remaining in their existing home with a better mortgage deal than they currently have  
Want surety of how much they are paying each month  
The customer wants to be able to be considered even with a previous IVA

Customer is currently in a DMP that has been conducted satisfactory for the last 18 months with no adverse credit since

Available through Intermediaries only.  
Applications are only accepted on an advised basis.

Homeownership or remaining in their existing home with a better mortgage deal than they currently have  
Want to repair their credit profile in order to have a greater choice of financial products in the future  
Want surety of how much they are paying each month

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Intermediary distribution allowable through:

- Directly authorised mortgage intermediaries
- Networks and their Appointed Representatives
- Mortgage clubs
- Specialist distributors

All intermediaries must be FCA registered and must be registered with the lender to make an application.

The Product is not designed for customers who:

- Have an adverse credit history which is outside the levels advertised as appropriate for the product
- Have less than 15% deposit
- Have a Debt Management Plan in place for less than 12 months
- Have had very recent adverse credit or are currently in financial difficulty
- Are purchasing to let
- Do not meet lending criteria
- Are purchasing a property that does not meet the criteria

#### **4. Customers with characteristics of vulnerability**

The Product is designed for those who need a little extra flexibility, which is likely to include some customers with characteristics of vulnerability or who will experience vulnerable circumstances over time.

As a number of the customers will have an adverse credit profile they potentially have low financial resilience, even though they may have improved their position since the adverse was recorded or are currently taking steps to manage their finances. It could also indicate lower capability in the financial markets.

All applications must be on an advised basis from a registered intermediary/mortgage advisor. This provides a degree of assurance the customer understands the product especially for those who have little financial services knowledge.

We consider the needs, characteristics and objectives of the customer who may be vulnerable within the design process along with understanding that any customer can become vulnerable at any point during the customer journey.

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We have a Vulnerable Customer Policy in place to ensure that where a vulnerability is identified we can ensure appropriate steps are taken and customers are treated individually. The strategies include:

- Training for all necessary staff so that they can recognise and respond to the needs of vulnerable customers
- Processes in place to ensure vulnerable customers are serviced appropriately (including specialist staff members)
- Suitable communications can be put in place when required

Intermediaries should continue to comply with your obligations to ensure that you treat customers in vulnerable circumstances fairly and deliver good outcomes.

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 are presented to the both the Senior Management and Compliance Functions, 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:

<b>Benefits</b>	<b>Price</b>	<b>Costs</b>
The range of features that the Product provides, the quality of the Product, the level of customer service that is provided and any other	The interest rates, fees and charges customers pay for the Product, comparable market rates, advice fees paid to intermediaries and nonfinancial	The cost of funding the Product and any other reductions in costs to the customer made possible by economies of scale.

features that the Product may offer.

costs associated with operating the Product.

How the product helps a customer achieve their financial goals.

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### Limitations

Any limitations on the scope and service we provide or the features of the Product.

How the product, while broad in terms of its features, is not suitable for everyone.

## Results of our assessment

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

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