THE CAMBRIDGE
Building Society

Product name: Retirement Interest Only Mortgage

Information sheet produced: July 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 Retirement Interest Only 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 product is designed to meet the needs of the target group, primarily new and existing customers looking for a residential mortgage who are aged over 55 and looking for a mortgage to go into retirement with no set maturity date. The product features and criteria are designed to support these needs.

- Product provides either a variable rate of interest that is controlled by us (The Cambridge Building Society) meaning that the rate may go up as well as down, as well as fixed rate options
- The product may require the payment of a product fee on application or completion, and an Early Repayment Charge if the borrower redeems the mortgage during any initial fixed rate period
- The product may allow repayment of a percentage of the capital balance annually without incurring Early Repayment Charges
- No Maturity or product end date
- Product may offer fee free options and / or free valuation and legal fees
- Product is available for purchases, remortgages, product switches and further advances
- Product is available on an interest only basis
- The product must be secured on residential property and is available for new and existing homes, including new build properties (subject to eligibility criteria)

Full eligibility criteria can be accessed on our intermediary website via https://www.cambridgeforintermediaries.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
Customers looking to purchase a property, this may include First Time Buyers (purchase)	Available through Direct, Intermediary* & Online channels. Applications can be through advised sale only.	• Access to interest only lending • No requirement to repay the loan until a life event occurs
Customers looking to move their current mortgage to a new provider (remortgage)	Available through Direct, Intermediary* & Online channels. Applications can be through advised sale only.	
Existing customers of the Cambridge Building Society looking to borrow additional funds (further advance)	Available through Direct, Intermediary* & Online channels. Applications can be through advised sale only.	

***Intermediary distribution through:**
• Networks and their Appointed Representatives.
• Mortgage clubs.
• Directly authorised mortgage intermediaries.
All intermediaries must be registered with us.

The Product is not designed for individuals who:

- Are purchasing a property to let
- Are severely credit impaired
- Do not meet our lending or property criteria
- Who are under 55 and over 85
- Are not resident in the UK

4. Customers with characteristics of vulnerability

This product is designed for a specific target market, who during the life of the mortgage (as there is no maturity or fixed end date) may show characteristics of vulnerability. Mortgage Advisers and third party distributors should take account of individual customer needs and circumstances in this regard.

To minimise any potential harm to customers, the affordability assessment is robust and where an application is joint, the monthly payment can still be made by a sole applicant in the event of the death of a joint applicant.

Additionally, we strongly advise that customers are made aware of the potential impact on benefits/taxation and recommend independent advice is taken in this regard. We recommend that customers discuss taking this type of loan with family members, and/or those who might expect to benefit from the estate, at this time it is advisable to considering setting up a Lasting Power of Attorney (LPA). We require customers to sign a declaration to this effect before the loan is completed.

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

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.

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 outcomes of the assessment process are presented to the Product & Pricing 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 from design to production and ongoing maintenance	Any limitations on the scope and service we provide or the features of the Product.

<u>Results of our assessment</u>

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

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