

What is this? Returning Home Mover (RHM) with Change of Parties is when customers move home, and the parties named on the loan agreement change. At least one original party must remain, however, parties can be removed, and/or a new party added, at the same time.

1. Customers wishing to **Port** their existing product deal

Principal policy

- Customers can move home and undertake a change of parties at the same time. Our policy considers the parties on the original loan agreement, their individual access to **onward porting** or taking a new product and any applicable Early Repayment Charge (ERC) refund.
- Existing customers must sell their existing property and purchase a new property.
- Any applicable ERCs are due at the point of redemption.
- **Any ERC refund will be paid following the completion of the new loan agreement.***
- The total ERC refund linked to the original loan cannot exceed the amount paid upon redemption of the original loan agreement.
- All applications are subject to the prevailing lending policy at the time.
- Completion of the new loan must take place within the three-month 'Returning Home Mover' window.
- The total balance being ported on the original product (by all parties) cannot exceed the value that was redeemed.
- Each party/customer is eligible to apply to port their proportionate share. Each customer's share is an even split of the redeemed balance divided by the original number of parties on the loan (e.g. if there were two parties, they would have access to 50%).
- Any additional borrowing can be taken from the product range on sale at the time of application.
- Any applicable ERC refund will be based on the new lending amount from the customer's eligible share of borrowing.

Authorisation for another party to Port their share

- If any party does not wish to port their share, they can consent to the other party using it within their porting application (e.g. Party 1 allows their 50% share to be ported by Party 2).
- Where one party consents to their share of the eligible loan being transferred to another party who is porting the product, any applicable **ERC refund will be paid to the party providing their consent** (e.g. Party 1 takes a new product and Party 2 ports 100% of the redeemed balance, each party would receive a 50% ERC refund).

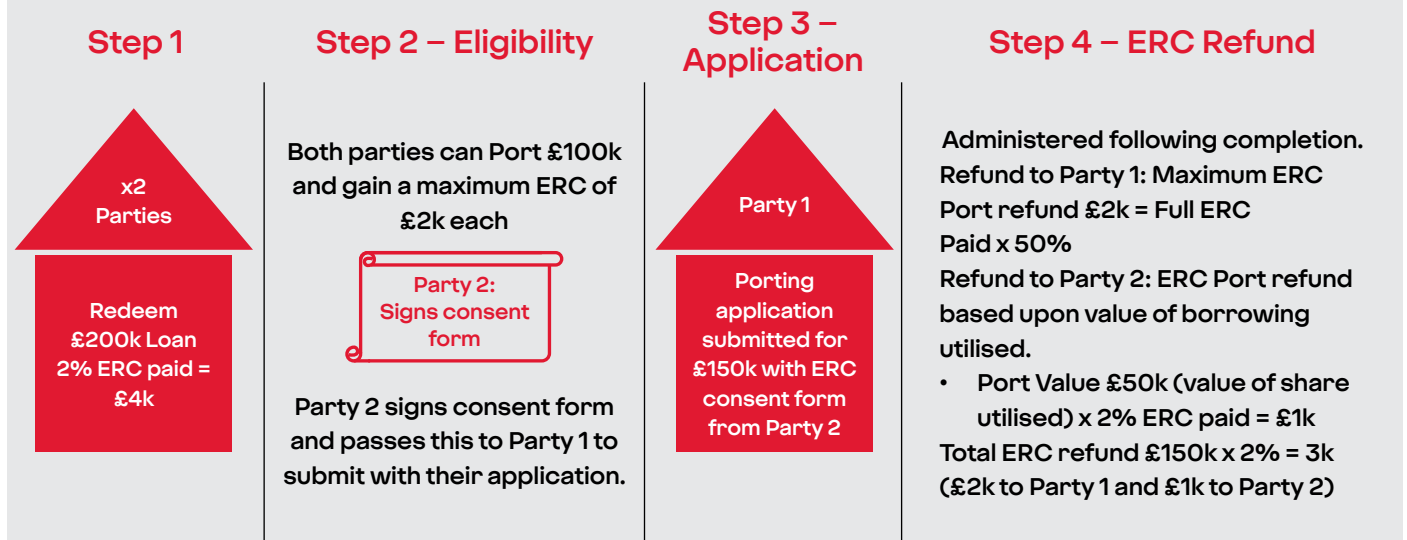
Note: Where consent is provided, the consent form must be submitted with the full application.

Authorisation for another party to Port their share AND receive their ERC refund

- Where customer wishes to pass their ERC refund to their previous mortgage partner (customer remaining with Virgin Money), clear instructions must be provided on the consent form.

Note: Where consent is provided, the consent form must be submitted with the full application.

Example: Two parties named on the loan, redeeming a £200k balance, paying 2% ERC (£4k) where Party 2 consents to Party 1 porting their share of the product, but still wishes to receive any applicable ERC refund.



*Where the following criteria are met, the ERC refund can be administered at the point of completion:

- Consent has been provided for one party to be eligible to RHM 100% of the redeemed balance.
- Consent has been provided for one party to gain 100% of any applicable ERC refund.
- The Redemption and completion are occurring **simultaneously**.

There may be a small number of scenarios not covered in this summary, where an **exception** may be applicable to ensure that we deliver the correct customer outcomes, considerate of individual customer needs and vulnerabilities. These should be submitted via the Policy Exception process.

2. Customer moving home and taking a **new product deal**

- The ERC incentive for customers moving home and receiving an ERC refund when taking a new product is only available to existing Virgin Money customers as outlined in their Offer of Loan.
- ERC 50% refund incentive is divided by the original number of parties on the loan (e.g. if there were two parties, they would be eligible to 25% when taking a new product deal within the three-month 'Returning Home Mover' window).

Note: As per Porting above, customers can provide authorisation for the other party to access their share of their ERC refund.

Important stuff just for mortgage brokers

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VM42357V2 (01/25)