



90-Day Notice Account Fair Value Assessment

April 2023

Product name: 90-Day Notice Account

Value Assessment Date: April 2023

Date of next assessment to be completed: Within 12 months.

**Our approach to meeting the Products & Services Outcome and Price & Value Outcome –
Information for distributors of the Product.**

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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 and internal use only and should not be provided to customers.

1. Summary of our assessment

We have assessed that:

- Our 90-Day Notice Account continues to meet the needs, characteristics, outcomes, 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).
- All evidenced.

2. Product characteristics & benefits

The product is designed to meet the needs of the target group, most notably to provide customers access to a savings account from which they may access funds subject to 90 days' notice (and minimum balance on account) with no hidden costs. The product features and criteria are designed to support these needs, including:

- Flexibility to withdraw funds subject to 90 days' notice.
- Competitive rate of return
- Variable profit rate
- Fee free account
- Sharia's compliant account
- FSCS financial protection
- Low risk/safe

Full eligibility criteria can be accessed on our intermediary website:

<https://www.blme.com/products-and-services/savings/notice-account/>

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.

Product description	Who these products are designed for:
<p>Savings account offering a variable rate of return in GBP.</p> <p>Savings account subject to 90 days' notice of withdrawal or closure</p> <p>Minimum initial deposit size: GBP 10,000</p> <p>Minimum balance: GBP 1,000</p> <p>Maximum deposit size: GBP 1,000,000 or at our discretion</p> <p>Top-up or add to account at any time.</p> <p>Quarterly profit payments</p> <p>Competitive profit rate</p> <p>No early access to funds before 90 days</p> <p>FSCS protection</p> <p>Sharia'a compliant account</p>	<ul style="list-style-type: none"> • UK residents • Mass-affluent savers aged 18 years and over. • Savers with GBP 10,000 minimum initial amount • Savers able to maintain a minimum £1,000 balance. • Savers looking for flexibility to add funds to the account at any time. • Depositors looking for quarterly income. • Savers looking for a more efficient rate of return. • Depositors with a 'rainy-day' savings goal where they can afford to wait 90 days to access funds. • Savers looking for a product which has no fees associated with it* • Savers looking for Sharia'a compliant bank account. • Savers looking for FSCS protection
Distribution strategy	Who these products are not designed for:
<p>This product is distributed via BLME.com. Visitors to the site can access information about the product including T&Cs and to make an application.</p> <p>The 90 Day Notice Account is regularly cited in the <i>moneyfacts</i>, <i>moneysavingexpert</i>, <i>Which?</i> and other respected industry comparison tables. These tables are in most cases updated daily. From those tables there is link to blme.com.</p> <p><i>* Deposit Aggregators may charge a fee for their services.</i></p>	<ul style="list-style-type: none"> • Non-UK residents • Depositors without a UK bank account • Depositors under 18 years old • Savers who operate in multiple high-risk jurisdictions or hold sensitive positions (PEP's) • Depositors with less than GBP 10,000 initial deposit • Savers with less than GBP 1,000 surplus savings • Depositors looking for easy access or access in less than 90 days. • Depositors looking for monthly income. • Savers needing on-line access to view their account.
Customer Outcomes	Harm or Limitations
<ul style="list-style-type: none"> • Account (generally) earns a better and more competitive return than on easy access account. • There is flexibility of withdrawals subject to maintaining minimum balance and notice period. 	<ul style="list-style-type: none"> • BLME must ensure no harm is caused to customers by ensuring they fully understand the product and it is priced fairly. • Customers must be clear that the money is tied up for the minimum of 90 days term

<ul style="list-style-type: none"> • Money is not locked away (beyond the notice period) and can help to reduce impulse spending whilst helping with longer term budgeting and saving. • Account is supported by personal customer service via phone or email. • Easy to add funds and request withdrawal via blme website. • Account is FSCS protected, and no fees are associated with the running of the account. • Account is Sharia'a compliant 	<p>and they will not have access to those funds.</p> <ul style="list-style-type: none"> • There is no on-line access to view balances on account. Customers receive a quarterly statement and can contact customer service at any time for any update or help required. • Once a withdrawal or closure request has been approved, this is irrevocable – although the customer can re-invest the amount straight away once the funds have been received.
Benchmarking	
Competitor Analysis	Pricing Principle
<p>The Notice Account is benchmarked against our direct competition, which are mainly the Challenger banks. We use Moneyfacts and other comparison websites to independently check our pricing on regular basis – at least weekly.</p>	<p>Pricing is dependent on several factors:</p> <ul style="list-style-type: none"> • Where our competitors are pricing • The volume (£) of deposits we are looking for (to fund the asset pipeline and deposits maturity schedule)

4. Customers with characteristics of vulnerability

The product caters for people who are not overly tech-savvy. Although they must apply on-line, there is no on-line access (with ID and passwords) to view their accounts.

It allows those who have an impairment, disability, or vulnerability to apply for an account e.g., those who have an Attorney (especially the elderly or those with impairment), or have funds under an Order of Protection, Compensation award or a Trust. There is also facility for people with disability such as partial sight or blindness to have statements sent in braille.

In the event of vulnerability or potential vulnerability, there is mechanism for customers to access their funds within the 90-day notice period or request early termination which will be considered on a case-by-case basis.

5. Product Development Process

Product Development Process
<p>When launching new products or making significant changes to existing products, we follow a robust internal governance process that ensures that the following areas are assessed and approved:</p> <ul style="list-style-type: none"> • Identification of the target market and non-target market for each product. • Ensure that the distribution methods align with the needs of the target market. • Consider how we are meeting the requirements of vulnerable customers through our product design and distribution methods. • Ensure that our customer and communications are clear, easy to understand and timely.

Annually we review the Fair Value Assessment performance of our product, additionally including:

- ✓ Product performance
- ✓ Characteristics of the product that meet the needs of the target market.
- ✓ Service delivery
- ✓ Distribution
- ✓ Assurance Activity
- ✓ How the Product development has been working

6. 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 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 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 is based on our fair value equation and does consider the following reflectively:

Customer Benefits	Financial	<ul style="list-style-type: none"> • Generally, more efficient rate of return versus current accounts or easy access accounts • ‘Save as you go’ – can make unlimited additions directly to the account. • Flexibility to withdraw funds subject to 90 days’ notice. • Competitive rate of return • Variable profit rate • Quarterly profit income • Account is fee free. • Financial Service Compensation Scheme (FSCS) provides financial protection in the event of Bank failure.
	Non-Financial	<ul style="list-style-type: none"> • Access to funds subject to 90 days’ notice (and minimum balance on account) with no hidden costs • Helps customers save for a ‘purpose’ at some indeterminate point in time in the future, such as house purchase or a rainy-day fund. • Money is not locked away (beyond the notice period) and can help with medium to longer term budgeting and saving. • Flexibility to add funds at any time. • Low risk (safe) • Quarterly Statement • Annual Tax certificate • Sharia’a compliant

Customer Efforts	Time Required	<ul style="list-style-type: none"> To gather information (NI or tax number, UK nominated bank account details, existing BLME account number) To complete application ~10 minutes To transfer deposit funds from external bank account once account has been opened To submit notice to withdraw funds via blme.com ~2 minutes (with account number) Direct contact points (via phone, email) as necessary
	Other Efforts	<ul style="list-style-type: none"> Customer needs to submit request to withdraw funds via blme.com ~2 minutes (with account details)
Customer Costs		Customers are not charged to operate the Notice account. However, they will be charged by their nominated bank to transfer money into their BLME Notice Account if they chose to use CHAPs (instead of Faster Payment).
Limitations		No other notice periods other than 90 Days'. Minimum period of deposit is 90 days. Only GBP denominated account is available. No online access to the account.
Bank Benefits	Non-Financial	<ul style="list-style-type: none"> Increased customer volumes due to more broad products being offered. Ability to cross-sell other products. Increased visibility of the BLME brand
Bank Efforts	Time Required (Attributable fixed costs)	<ul style="list-style-type: none"> Rate checking and benchmarking to industry. Treasury ALM and core banking Early redemption request management Customer service and ad hoc query response Ongoing product refinement including adherence to legal and Regulatory updates. Management of customer communications
	Technology cost per customer (Directly attributable)	<ul style="list-style-type: none"> eKYC systems to check Identity and Address API for Confirmation of Payee checks CRM system for onboarding staging Website staging

<p>Bank Costs</p>	<p>Recurring costs incurred (Directly attributable)</p>	<ul style="list-style-type: none"> • Customer Service • Management of customer communications
<p>Price</p>	<p>Account is fee free.</p>	

Results of our assessment

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