

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Product name: Santander Private Annual Kick Out Plan (Issue 4) [ISIN XS1739372024]

Product manufacturer: Santander UK plc

Contact number for Product manufacturer: You can call us on **0800 328 1328**. Calls may be recorded or monitored.

Website: santander.co.uk/uk/investments/Investment-products-and-fund-literature

Competent Authority: UK Financial Conduct Authority

Date: 13 December 2017

You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type

The Santander Private Annual Kick Out Plan (Issue 4) is an investment product linked to a debt security issued by Santander UK plc and is governed by English law.

Objectives

The aim of this product is to provide a return linked to the performance of the FTSE 100 Index (the Index).

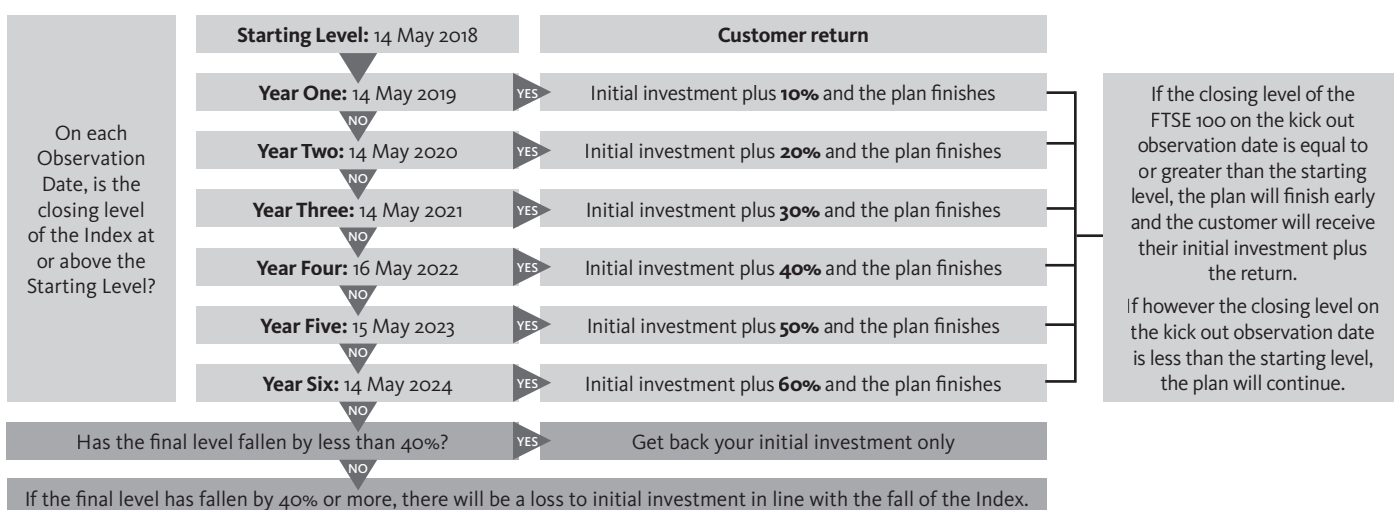
The FTSE 100 index is made up of the 100 largest publicly-traded companies listed on the London Stock Exchange (LSE). Companies are included or removed depending on their market capitalisation. This is the combined value of all their shares. The index measures the total change of all 100 companies' values and provides an indication of the performance of major companies listed in the UK.

This product is designed to repay your initial investment plus an additional amount if the Index increases over the term and can finish early if the Index is at or above the starting level on any of the kick out observation dates outlined below. If this happens, we will return your initial investment plus 10% for each completed year.

If the Index has never finished at or above the starting level on any kick out observation date during the term, the plan will finish returning your initial investment only, providing the final level of the Index has not fallen by 40% or more. If the final level of the Index has fallen by 40% or more, your initial investment will be reduced in line with the fall of the Index.

The starting level of the Index will be taken as the closing level of the Index on 14 May 2018.

The final level of the Index will be taken as the closing level of the Index on 14 May 2024, subject to the plan not finishing early.



Intended retail investor

This product is designed for investors who:

- Wish to invest in a product where the returns are linked to the performance of an equity index (such as FTSE 100 Index) without investing directly.
- Are happy for their investment to be at risk of loss due to a negative performance in the Index.
- Would like the potential to receive their money back earlier than the 6 year term.
- Would like returns subject to capital growth and not income.
- Can leave their money untouched for the full term of the investment.
- Are willing to forego the returns available from alternative products such as bank and savings accounts in exchange for the potential of a higher return.

Term

The term of the product will be 6 years commencing on 14 May 2018 and ending on 29 May 2024.

This product has the ability to terminate early on the observation dates detailed below if the level of the Index is at or above the starting level. In the event of an early termination following an annual observation date, the maturity date of the product would be as follows;

Year	Observation Date	Maturity Date
Year 1	14 May 2019	28 May 2019
Year 2	14 May 2020	28 May 2020
Year 3	14 May 2021	28 May 2021
Year 4	16 May 2022	31 May 2022
Year 5	15 May 2023	30 May 2023

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes you keep the product until 29 May 2024. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 4 out of 7 which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you. This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment.

Investment: £10,000				
Scenarios		1 year	4 years	Recommended holding period
Stress	What you might get back after costs	£8,369	£5,825	£4,405
	Average return each year %	-16.31%	-12.64%	-12.77%
Unfavourable	What you might get back after costs	£9,425	£10,276	£10,000
	Average return each year %	-5.75%	0.68%	0.00%
Moderate	What you might get back after costs	£11,000	n/a	£11,000
	Average return each year %	10.00%	n/a	10.00%
Favourable	What you might get back after costs	£9,572	n/a	£13,000
	Average return each year %	-4.28%	n/a	9.14%

This table shows the money you could get back on the termination date, under different scenarios, assuming a notional amount of £10,000. The scenarios shown illustrate how the product could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. This product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before maturity. You will either be unable to cash in early or you will have to pay high costs or make a large loss if you do so. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Santander UK plc is unable to pay out?

In the unlikely event that Santander UK plc becomes insolvent, you may lose some or all of your money invested in this product. This product is not protected under the Financial Services Compensation Scheme (FSCS). If you lose money solely because Santander UK plc fails to meet its obligations due to insolvency or for any other reason, you will not be able to claim against the FSCS for loss caused by such failure.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume a notional amount of £10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment: £10,000			
Scenarios	If you cash in after 1 year	If you cash in after 4 years	If you cash in at the end of the recommended holding period
Total Costs	£125	n/a	£125
Impact on return (RIY) per year	1.39%	n/a	1.39%

Composition of costs

The table below shows:

- the impact of the different types of costs on the investment return you might get at the end of the term.
- the meaning of the different cost categories.

This table shows the impact on return			
One-off costs	Entry costs	1.25%	The impact of the costs you pay when entering the product. The impact of the costs already included in the price.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	n/a	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	n/a	The impact of the costs we take each year for managing your investments and the costs presented in Section II.
Incidental costs	Performance fees	n/a	The impact of the performance fee. We take these costs from your investment if the product outperforms its benchmark.
	Carried interests	n/a	The impact of carried interests. We take these when the investment has performed better than a specified benchmark.

How long should I hold it and can I take money out early?

Recommended holding period: 6 years, subject to early termination

If you believe you may need your money before the maturity date, you should not invest in this product as you may get back less than you originally invested. If, after investing, your circumstances have changed and you decide that you need to withdraw money from the product before the end of the fixed term, you should only consider withdrawal as a last resort. Only whole numbers of units can be cashed in. You can also change your mind and cancel your product within 14 days. If you need to do this, you can call the Customer Service Centre or write to us.

Santander ISA Managers Limited, Santander House, 287 St Vincent Street, Glasgow G2 5NB.

Call us on **0800 328 1328**. Calls may be recorded or monitored.

How can I complain?

You can call us free of charge from a UK landline or mobile on **0800 171 2171**. Our dedicated complaints team is available Monday to Friday 8am-8pm and Saturday 9am-4pm. Or you can email us at customerservices@santander.co.uk or write to us at: Complaints, Santander UK plc, PO Box 1125, Bradford, BD1 9PG.

Other ways to complain can be found on our website: [santander.co.uk/uk/help-support/complaints/how-to-complain](https://www.santander.co.uk/uk/help-support/complaints/how-to-complain)

Other relevant information

The full terms and conditions of the product are set out in the Base Prospectus and the Final Terms relating to the issue of the product as supplemented and amended from time to time. The Base Prospectus and the Final Terms can be found here:

[santander.co.uk/uk/about-santander-uk/investor-relations/abbey-notes-certificates-and-warrants-programme](https://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-notes-certificates-and-warrants-programme)

Information correct as at 13/12/17.

Santander ISA Managers is able to provide literature in alternative formats. The formats available are: large print, Braille and audio CD. If you would like to receive correspondence in an alternative format please call **0800 328 1328**.