

## IMPORTANT INFORMATION

Please read and keep for future reference



# We're changing your account type from October 2025

We're writing to let you know that we'll be converting your account to a Business Current Account - Classic from October 2025. We're doing this because we're simplifying our product range. The account type you currently have will no longer be available from that date.

We're making this change under section E (14) of your Business Banking General Terms and Conditions, 'Making changes'. This section allows us to convert your account to another account in our product range if we no longer offer your account type.

We're telling you now so you have plenty of time to decide if the Business Current Account - Classic is right for you and to consider your options.

Please read this, and the Key Facts Document, carefully for full details about the Business Current Account - Classic, and to make sure you understand the changes and how they could affect you. If you would like more information, including what these changes mean for you, please visit our website [santander.co.uk/business/support/current-accounts/changes-to-current-accounts](https://santander.co.uk/business/support/current-accounts/changes-to-current-accounts)

Our Business Banking General Terms and Conditions will continue to apply to your account and include our standard fees. These terms are not changing, and you can find them online at [santander.co.uk/business](https://santander.co.uk/business)

Your account will be changed on your monthly settlement date which is the date when fees and charges are taken. The earliest your account could be changed is from **1 October 2025**, but it might be later, depending on your monthly settlement date. You'll continue to receive notification of charges to tell you what you'll pay and when.

## What do you need to do?

Before 1 October 2025, you have 3 options.

- If you want to accept the changes, you don't need to do anything. You can keep using your account as normal and the changes detailed below will be applied automatically.
- If you don't want to accept the changes, you can either:
  - close your account and end your agreement with us with no charge.
  - switch your account to another provider. We're a member of the Current Account Switch Service, which offers a secure and easy way to switch your account to another bank in 7 working days. You can find out all you need to know about switching accounts at [currentaccountswitch.co.uk](https://currentaccountswitch.co.uk). Remember, if you have an overdraft, you'll need to repay any money you owe us before we close or switch your account.



Our website has the most up to date information on how you can close or switch your account. Visit [santander.co.uk/business](https://santander.co.uk/business) and search 'close business account' or 'switching' before 1 October 2025.

If we haven't heard from you by 1 October 2025, we'll assume that you've accepted the changes.

You can still close or switch your account after 1 October 2025, but the changes might still apply (depending on your monthly settlement date).

## What's changing?

The changes are to the product name, credit interest, cashback and a range of fees and charges, summarised below:

- Monthly account fee
- Cashback
- Credit interest rate
- Cash deposit charges
- Cash withdrawal limits and fees (cash machine and counter)
- Cheque deposit charges
- Arranged overdraft interest rate
- Arranged overdraft annual fee
- Unarranged overdraft interest rate

The table below shows more details about the changes between your existing account and the Business Current Account - Classic which will apply when we change your account.

## You have a 1|2|3 Business Current Account with us.

Description	1 2 3 Business Current Account Current tariff	Business Current Account - Classic New tariff
Monthly account fee	£12.50 (£5 if you're on a start-up or switcher offer)	£9.99 (no fee if you're on a start-up or switcher offer)
Cashback	Up to £300 cashback per year	No cashback
Credit interest rate	0.10% gross / AER (variable)	No interest
Cash deposit charges at Santander cash machines	No charge and unlimited cash machine deposits	No charge up to £1,000 paid in at Santander cash machines in each monthly billing period. Then £1.25 per £100 over the £1,000 limit
Cash deposit charges at Santander branch counters and Post Office counters	£1,000 can be deposited without charge (each month) then £0.70 per £100	£1.25 per £100
Cash withdrawal (Santander cash machines and Santander branch counters/Post Office counters)	Free	Santander cash machines: Free Santander branch counters/ Post Office counters: £1.25 per £100
Cheque deposits (Santander cash machines, Mobile Banking, post and Santander branch counters/Post Office counters)	Free	£0.70 per cheque
Arranged overdraft interest rate	10% EAR (variable)	14.94% EAR (variable)
Arranged overdraft annual fee	1% of agreed overdraft limit (minimum fee £50)	1.75% of agreed overdraft limit (minimum fee £100)
Unarranged overdraft interest rate	N/A	14.94% EAR (variable)

If you're on a start-up or switcher offer, this'll continue for the remaining term of your offer. This means for this offer period, you won't pay a monthly account fee. At the end of the offer period, the monthly fee for the Business Current Account - Classic will apply and is shown in the table above. We'll contact you before the end of your offer to remind you that this is changing.

The cashback and credit interest on your 1|2|3 Business Current Account will be calculated up until the point we change your account to Business Current Account - Classic and it will be paid to you automatically.

For sole traders, each tax year, you'll get a Personal Savings Allowance, which is the amount of interest that can be received tax-free. If the interest you receive is more than the allowance, you may have tax to pay. If you have any questions about paying tax, you'll need to contact HM Revenue & Customs. For more information, visit [gov.uk](https://gov.uk) and search for Personal Savings Allowance. For all other businesses, cashback and interest paid into the business account may be taxable and may be reportable to HM Revenue & Customs. For further information you should contact an independent tax adviser.

## What isn't changing?

Your account number, sort code and any regular or future payment arrangements you have made such as Direct Debits and standing orders, will remain the same. If you already have an arranged overdraft, your overdraft limit will remain the same.

You'll still be able to service your account and continue to use your card as you do today, and you'll continue to have access to the additional services and support included as part of our offering. For full details please visit our website.

Any other charges or fees that you may incur on your account that are not listed in this communication will remain unchanged.

## How will the changes affect the charges you incur?

It's important that you understand these changes and what they may mean to you monthly, so you can make the right choice for you and your business. To help you with this we've created a web page with more information and tools so you can further understand any impact on your monthly charges and/or fees. Please visit: [santander.co.uk/business/support/current-accounts/changes-to-current-accounts](https://santander.co.uk/business/support/current-accounts/changes-to-current-accounts)

## Updating your business details

We have a legal and regulatory obligation as your bank to make sure we hold accurate and up to date information about all our existing customers. Please take time to ensure your business details are correct and up to date. Visit our website for more information: [santander.co.uk/business/support/customer-support/change-of-details](https://santander.co.uk/business/support/customer-support/change-of-details)

## Need more help?

We know businesses can be faced with challenges.

We're here to help and support you and your business. If you're worried about your business finances, please visit our Money Worries page: [santander.co.uk/business/support/if-business-finances-are-a-struggle](https://santander.co.uk/business/support/if-business-finances-are-a-struggle) where you'll find further details. You'll also find other support such as organisations who offer free independent advice.

If you have any questions at all, please contact us or visit our website to see all the information about this change:

[santander.co.uk/business/support/current-accounts/changes-to-current-accounts](https://santander.co.uk/business/support/current-accounts/changes-to-current-accounts)

### Understanding your overdraft

It's important that you understand how your overdraft works. The following definitions explain the different types of overdrafts as well as the fees you can incur.

#### Arranged overdraft

An arranged overdraft is when your balance is below zero, but within an arranged limit. You must agree the limit with us before it's available to use. You will be charged an arranged overdraft interest rate on the amount you are overdrawn.

#### EAR

This is the Effective Annual Rate. It represents the yearly cost of an arranged or unarranged overdraft. It takes into account how often we charge interest to the account and does not include any other fees or charges.

#### Unarranged overdraft

An unarranged overdraft is when your account:

- goes over your arranged overdraft limit, or
- has a balance below zero without an arranged overdraft in place.

You'll be charged an unarranged overdraft interest rate on the amount you've gone over your arranged overdraft limit, or on the amount you've gone overdrawn without an arranged overdraft in place.

