Please keep for future reference

Speak to your Business Banking Manager in branch

santander.co.uk/business

Call us on **0800 731 6666**

Santander Business Banking

Business Bond

Key Facts Document (including Financial Services Compensation Scheme (FSCS) Information Sheet & Exclusions List)

Effective from 5 January 2022

These Specific Terms and Conditions apply in addition to our General Terms and Conditions. Where there are inconsistencies, it is these Specific Terms and Conditions that apply. This account may be withdrawn at any time without notice.

Our 1 year Fixed Rate Business Bond may be suitable if you are looking to earn interest and your business can put away a sum of money for a set period of time. You'll receive a fixed rate for the full term of the Business Bond.

<table>
<tr><th colspan="6">Summary box</th></tr>
<tr><td>Account name</td><td colspan="5">1 Year Fixed Rate Business Bond</td></tr>
<tr><td rowspan="4">What is the interest rate?</td><td>Account name</td><td>Maturity date</td><td>Tier</td><td>AER/Gross rate (Fixed)</td><td>Gross per annum (fixed)
Paid annually</td></tr>
<tr><td>1 Year Fixed Rate Business Bond</td><td>01/02/2023</td><td>£5,000+</td><td>0.10%</td><td>0.10%</td></tr>
<tr><td>1 Year Fixed Rate Business Bond (for 1|2|3 Business World customers only)</td><td>01/02/2023</td><td>£5,000+</td><td>0.15%</td><td>0.15%</td></tr>
<tr><td colspan="5">1 year Fixed Rate Business Bond Gross/AER (fixed) based on funds deposited on 1 February 2022. Rates correct as at 5 January 2022. Interest is calculated daily and paid annually.
Annual interest: Paid on the 1st of the month following opening and then at maturity. Interest will be added to your bond.
If the maturity date falls on a Saturday, Sunday or Bank Holiday the maturity will take place on the next working day and an interest rate of 0.01% gross p.a. (variable) will be paid from the maturity date.</td></tr>
<tr><td>Can Santander change the interest rate?</td><td colspan="5">No, the interest rate is fixed during the term. This is detailed in Condition 17 in our General Terms & Conditions.</td></tr>
<tr><td rowspan="4">What would the estimated balance be after 12 months based on a £5,000 deposit?</td><td colspan="2">Account name/term</td><td>Interest earned</td><td colspan="2">Balance after 12 months</td></tr>
<tr><td colspan="2">1 Year Fixed Rate Business Bond</td><td>£5.00</td><td colspan="2">£5,005.00</td></tr>
<tr><td colspan="2">1 Year Fixed Rate Business Bond (for 1|2|3 Business World customers only)</td><td>£7.50</td><td colspan="2">£5,007.50</td></tr>
<tr><td colspan="5">Estimate assumes that the Bond is opened and the deposit made on the 1st of the month.</td></tr>
<tr><td>At the end of the term</td><td colspan="5">◦ The term of the Business Bond is fixed from the day of opening until the stated maturity date.
◦ We'll contact you around 14 days before the stated maturity date to tell you what options are available to you on maturity.
◦ If we don't hear from you with your instructions after this contact, you'll be placed onto our Business Bond Maturity Account product, currently paying interest of 0.01% AER / gross (variable) (paid annually). Your account number will stay the same and you can withdraw your funds from your account at any time. However please note that only withdrawal, of the total balance, is permitted.
◦ If you are placed onto our Business Bond Maturity Account product, you'll receive a Business Bond Maturity Account Key Facts Document which explains the terms of the product.</td></tr>
</table>

<table>
<tr><th colspan="4">Summary box (continued)</th></tr>
<tr><td rowspan="2">What would the estimated balance be after 12 months based on a £5,005.00 deposit?</td><td>Account name/term</td><td>Interest earned</td><td>Balance after 12 months</td></tr>
<tr><td>Business Bond Maturity Account</td><td>£0.50</td><td>£5,005.50</td></tr>
<tr><td rowspan="2">What would the estimated balance be after 12 months based on a £5,007.50 deposit?</td><td>Account name/term</td><td>Interest earned</td><td>Balance after 12 months</td></tr>
<tr><td>Business Bond Maturity Account</td><td>£0.50</td><td>£5,008.00</td></tr>
<tr><td>How do I open and manage my account?</td><td colspan="3">To open the account:
◦ Your business must be registered in the UK;
◦ You must have at least £5,000 to deposit in the account;
◦ All directors, owners (shareholders) or partners must be UK residents;
◦ All directors, owners (shareholders) or partners must be aged 18 or over;
◦ You must be able to leave your funds untouched for the fixed term;
◦ You must have up to two directors, owners (shareholders) or partners;
◦ Your business must operate as a sole trader, partnership, limited liability partnership, private limited company, or be a not-for-profit organisation such as a club, society or charity; and
◦ You intend to use the account for business purposes only.
You'll be eligible for a preferential rate of interest if, in addition to the above, you are a 1|2|3 Business World customer when you apply for the Business Bond. To be a Santander 1|2|3 Business World customer, you must hold a 1|2|3 Business Current Account (including Start-up and Switcher offers).
Opening
◦ You can apply by calling us on 0800 731 6666.
◦ You'll receive a certificate after you open a Business Bond, providing details of the opening balance, interest rate and maturity date.
Deposits
◦ Minimum opening balance of £5,000. Maximum balance of £5 million.
◦ Deposits into your Business Bond sent from an account that sits outside the Santander Group can only be made by CHAPS payment. You may be charged for this.
◦ The Business Bond must be open before you send your funds.
◦ You may transfer funds from an existing Santander account, however, we cannot accept funds from a personal account.
◦ The account will be opened in the name of your business. We shall accept instructions from any one person registered to operate the account.
◦ Once you have made your initial deposit you cannot add additional money to your Business Bond.
◦ Please note that there is no right to cancel your Business Bond once we are in receipt of your deposit.
◦ All deposits must be in Sterling.
Managing the bond
◦ By telephone and post.</td></tr>
<tr><td>Can I withdraw money?</td><td colspan="3">No withdrawals are permitted during the fixed term.</td></tr>
<tr><td>Additional information</td><td colspan="3">1|2|3 Business World
◦ When you open a 1|2|3 Business Current Account (including Start-up and Switcher offers) you become part of the 1|2|3 Business World, giving you access to a range of preferential rates and offers. When applying for future products, if you're accepted and there is an associated 1|2|3 Business World preferential rate or offer, you'll automatically qualify. This means any individual or trustees (who may open an account on your behalf) may be made aware that you hold a 1|2|3 Business World product.
Tax status
◦ Interest payments will be calculated using the gross rate. This means all the interest we pay you will be without tax deducted. For sole traders and individual partnerships, if the total amount of interest you receive exceeds any Personal Savings Allowance to which you're entitled, you may have to pay tax at the applicable rate. This would need to be paid directly to HM Revenue & Customs. For more information, please visit gov.uk and search for 'Personal Savings Allowance'.
Cancellation
◦ There is no cancellation period on this account.
Closing the account
◦ Withdrawals or account closure will not be permitted during the fixed term period. If the account is held in a single name the account can be closed in the event of the account administrator's death or allowed to continue until maturity in the name of the deceased. If the account has two account administrators and one of the account administrators dies, the account will belong to the remaining account administrator and the account may be closed or amended to be held in the remaining account administrator's name.
◦ We may close your account at any time by giving you notice. If we decide to close your account, we will, wherever possible, give you at least 30 days' notice as described in our General Terms and Conditions and Important Information, unless there are exceptional circumstances, such as fraud. You can find out more about closing your account by calling us on the number above.</td></tr>
</table>

Summary box (continued)	
Additional information	**Address for communications** ○ The registered business address that you give us will be the only one to which communications, such as your Bond maturity documents, will be sent and not to any other address that you may provide to us.

P.a. stands for per annum. AER stands for Annual Equivalent Rate and shows what the interest rate would be if we paid interest and added it to your account each year. The gross rate is the interest we pay where no income tax has been deducted.

Santander is able to provide literature in alternative formats. The formats available are: large print, Braille and audio CD. If you would like to register to receive correspondence in an alternative format please visit **santander.co.uk/alternativeformats** for more information, ask us in branch or give us a call.

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Financial Services Compensation Scheme (FSCS) Information Sheet

Protected

Basic information about the protection of your eligible deposits

Eligible deposits in Santander UK plc are protected by:	the Financial Services Compensation Scheme ('FSCS')[1]
Limit of protection:	£85,000 per depositor per bank[2] The following trading names are part of your bank: cahoot, Santander Corporate & Commercial, and Santander Corporate & Investment Banking trading names.
If you have more eligible deposits at the same bank:	All your eligible deposits at the same bank are 'aggregated' and the total is subject to the limit of £85,000.[2]
If you have a joint account with other person(s):	The limit of £85,000 applies to each depositor separately.[3]
Reimbursement period in case of bank failure:	20 working days[4]
Currency of reimbursement:	Pound sterling (GBP, £)
To contact Santander UK plc for enquiries relating to your account:	For all Retail accounts: **0800 389 7000** For all Santander Corporate and Commercial accounts: **0800 085 2090** For Business Banking accounts: **0800 068 7010** For all cahoot accounts: **0800 587 1111**
To contact the FSCS for further information on compensation:	Financial Services Compensation Scheme PO Box 300 Mitcheldean GL17 1DY Tel: **0800 678 1100** or **020 7741 4100** Email: ICT@fscs.org.uk
More information:	**http://www.fscs.org.uk**

Additional information

[1] Scheme responsible for the protection of your eligible deposit

Your eligible deposit is covered by a statutory Deposit Guarantee Scheme. If insolvency of your bank, building society or credit union should occur, your eligible deposits would be repaid up to £85,000 by the Deposit Guarantee Scheme.

[2] General limit of protection

If a covered deposit is unavailable because a bank, building society or credit union is unable to meet its financial obligations, depositors are repaid by a Deposit Guarantee Scheme. This repayment covers at maximum £85,000 per bank, building society or credit union. This means that all eligible deposits at the same bank, building society or credit union are added up in order to determine the coverage level. If, for instance a depositor holds a savings account with £80,000 and a current account with £20,000, he or she will only be repaid £85,000.

This method will also be applied if a bank, building society or credit union operates under different trading names. Santander UK plc also trades under cahoot, Santander Corporate & Commercial, and Santander Corporate & Investment Banking trading names.

In some cases eligible deposits which are categorised as 'temporary high balances' are protected above £85,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable. These are eligible deposits connected with certain events including:

(a) certain transactions relating to the depositor's current or prospective only or main residence or dwelling;

(b) a death, or the depositor's marriage or civil partnership, divorce, retirement, dismissal, redundancy or invalidity;

(c) the payment to the depositor of insurance benefits or compensation for criminal injuries or wrongful conviction.

More information can be obtained under **http://www.fscs.org.uk**

[3] Limit of protection for joint accounts

In case of joint accounts, the limit of £85,000 applies to each depositor.

However, eligible deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of £85,000.

[4] Reimbursement

The responsible Deposit Guarantee Scheme is the Financial Services Compensation Scheme, 10th Floor Beaufort House, 15 St Botolph Street, London, EC3A 7QU, Tel: 0800 678 1100 or 020 7741 4100, Email: ICT@fscs.org.uk. It will repay your eligible deposits (up to £85,000) within 20 working days until 31 December 2018; within 15 working days from 1 January 2019 until 31 December 2020; within 10 working days from 1 January 2021 to 31 December 2023; and within 7 working days from 1 January 2024 onwards, save where specific exceptions apply.

Where the FSCS cannot make the repayable amount available within 7 working days, it will, from 1 June 2016 until 31 December 2023, ensure that you have access to an appropriate amount of your covered deposits to cover the cost of living (in the case of a depositor which is an individual) or to cover necessary business expenses or operating costs (in the case of a depositor which is not an individual or a large company) within 5 working days of a request.

If you have not been repaid within these deadlines, you should contact the Deposit Guarantee Scheme since the time to claim reimbursement may be barred after a certain time limit. Further information can be obtained under **http://www.fscs.org.uk**.

Other important information

In general, all retail depositors and businesses are covered by Deposit Guarantee Schemes. Exceptions for certain deposits are stated on the website of the responsible Deposit Guarantee Scheme. Your bank, building society or credit union will also inform you of any exclusions from protection which may apply. If deposits are eligible, the bank, building society or credit union shall also confirm this on the statement of account.

FSCS EXCLUSIONS LIST

A deposit is excluded from protection if:

(1) The holder and any beneficial owner of the deposit have never been identified in accordance with money laundering requirements. For further information, contact your bank, building society or credit union.

(2) The deposit arises out of transactions in connection with which there has been a criminal conviction for money laundering.

(3) It is a deposit made by a depositor which is one of the following:

- credit institution
- financial institution
- investment firm
- insurance undertaking
- reinsurance undertaking
- collective investment undertaking
- pension or retirement fund[1]
- public authority, other than a small local authority.

(4) It is a deposit of a credit union to which the credit union itself is entitled.

(5) It is a deposit which can only be proven by a financial instrument[2] (unless it is a savings product which is evidenced by a certificate of deposit made out to a named person and which existed in the UK, Gibraltar or a Member State of the EU on 2 July 2014).

(6) It is a deposit of a collective investment scheme which qualifies as a small company.[3]

(7) It is a deposit of an overseas financial services institution which qualifies as a small company.[4]

(8) It is a deposit of certain regulated firms (investment firms, insurance undertakings and reinsurance undertakings) which qualify as a small business or a small company[5] – refer to the FSCS for further information on this category.

(9) It is not held by an establishment of a bank, building society or credit union in the UK or, in the case of a bank or building society incorporated in the UK, it is not held by an establishment in Gibraltar.

For further information about exclusions, refer to the FSCS website at **www.FSCS.org.uk**

[1] Deposits by personal pension schemes, stakeholder pension schemes and occupational pension schemes of micro, small and medium sized enterprises are not excluded

[2] As listed in Part I of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, read with Part 2 of that Schedule

[3] Under the Companies Act 1985 or Companies Act 2006

[4] See footnote 3

[5] See footnote 3

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