

# Santander Investment Hub – Terms and Conditions

## **Effective from 17 August 2020**

This document includes:

- Summary of changes to the Investment Hub - Terms and Conditions
- The Terms and Conditions for using the Santander Investment Hub and for the following accounts available in it:
  - Stocks and Shares ISA (ISA)
  - Investment Account

and the services available through it including the Model Portfolio Service.

# Changes to the Investment Hub – Terms and Conditions - effective from 3 November 2020

On 3 November 2020, we'll be making some changes to the Santander Investment Hub – Terms and Conditions. We're making changes to clarify our existing practice in some situations and some other minor text changes to make the Terms and Conditions easier to read.

In addition, we're making the changes detailed in the below table.

Section Headings	Summary of Change
Definitions	For clarity, we've updated the definition of 'CASS', and removed the definition of 'Client Money Rules'. The new definition of CASS has been updated to make it clear that these regulatory requirements will apply to all of your investments and client money, so a separate definition for 'Client Money Rules' is no longer needed. We have made changes to the rest of the terms to take account of this new definition of CASS and the removal of the definition of 'Client Money Rules'.
Income	We've added wording to this section, in relation to 'rounding', to clarify how we'll treat pooled income payments received and what will happen to any residual amounts
Taking money out or cashing in your Hub Account	We've removed wording from this section stating accounts are not automatically closed when you sell all investments and withdraw all cash held in that account, or where you transfer all investments out of that account. We've explained that we may close your Hub Account, or a particular account in your Hub Account in the 'When we may close your Hub Account' section.
When we may close your Hub Account	We've updated the wording in this section to reflect that we may provide three months' notice if we stop providing the Hub or a particular account on the Hub. We've clarified the wording in this section to reflect that we will not give you any prior notice where we close your account when the value of your Account Investments is less than the minimum shown in the Santander Investment Hub – Key Features Document. We've updated the wording in this section to clarify that we have the right to close your account either immediately or at any other time when the relevant conditions which entitle us to close your account apply (i.e. you have withdrawn or cashed in all of your Account Investments, your Account Investments are less than the minimum required, or you behave in a manner that makes it inappropriate for us to maintain your Hub Account).
If we can't provide services	We've added 'pandemics' and 'epidemics' into the list of examples for reasons we may not be able to provide services due to something beyond our reasonable control.
Telephone conversations and electronic communications	We've updated the wording in this section so your right to request a copy of recordings of phone calls and electronic communications is not limited to five years.
Making a complaint	We've removed the wording that refers to the European Commission's Online Dispute Resolution website as this will no longer be relevant from 1 January 2021. If you purchase your product with us online you can continue to submit any complaint through the European Commission Online Dispute Resolution website until 31 December 2020.
Schedule 1: Availability of the Hub	We've added wording to this section to clarify that we may suspend your individual use of the Hub if we don't hold the correct details of your address.
Schedule 1: Using the Hub	We've added wording to this section to highlight there are restricted territories from where it isn't permissible to access, or transact on, the Hub.
Schedule 2: Account Investments	We've updated the wording in this section to make it clearer that in exceptional circumstances, we may remove your holdings in a withdrawn Account Investment from the Hub by selling your Account Investments or re-registering those Account Investments into your own name or into the name of another nominee.
Schedule 2: Buying and selling Account Investments	We've updated the wording in this section to clarify that Direct Debits can take up to three Working days from receipt to become cleared funds. We've also changed the wording in this section to reflect that fund documentation such as Key Investor Information Documents and Prospectuses can be found on the Investment Hub or via the fund managers' website, rather than requesting this directly from us. In addition, we've added wording to this section to clarify how we'll allocate pooled money or a pooled number of shares/units between the customers that hold those Account Investments as a result of buying, selling or through corporate actions. The new wording also states what will happen to any residual amounts/entitlements that aren't allocated.
Schedule 3 Part A: Transfers In	We've updated this section to reflect that, where you ask us to re-register holdings with another ISA provider to your Stocks and Shares ISA on the Hub, we may be able to convert your holdings into a cheaper share class of the same fund, if one is available on the Hub.

Schedule 3 Part A: Transfers out to another provider	We've updated this section to reflect that, where you ask us to re-register your holdings in the Stocks and Shares ISA to another provider, we may need to convert your holdings into a different share class of the same fund if the exact share class isn't available with the new provider. This share class may have higher charges.
Schedule 3 Part B: Re-registration	We've updated this section to reflect that, where you ask us to re-register your holdings in the Investment Account to another provider, we may need to convert your holdings into a different share class of the same fund if the exact share class isn't available with the new provider. This share class may have higher charges. In addition, where you ask us to re-register holdings from another provider to your Investment Account on the Hub, we may be able to convert your holdings into a cheaper share class of the same fund, if one is available on the Hub.
Schedule 4 Part A: Fees and charges	We've clarified that, for the Model Portfolio Service, both the Model Portfolio Service Fee and the Ongoing Adviser Services Fee can be paid by a variable Direct Debit.
Schedule 4 Part A: Statements, reports and contract notes	We've updated this section to state details of notifications we provide in relation to your Portfolio(s) in the Model Portfolio Service can be found in the Key Features Document. You'll continue to be sent a notification if the value of any of your Portfolios in the Model Portfolio Service drops by 10% compared to the value at the start of most recent three-month period but from 3 November 2020, the three-month periods will commence every three months from the date you first held investments in the Model Portfolio Service on the Investments Hub rather than the date of each quarterly statement.

A copy of the updated Terms and Conditions will be added to your Investment Hub Document library on the effective date.

## Update to the Best Execution Policy – effective from 3 November 2020

On 3 November 2020, we'll be updating the Santander ISA Manager Limited's Best Execution Policy for Investment Hub funds. A copy of the updated policy will be added to your Hub Document library on the effective date.

We've changed the amount from £5 to £10 below which we will add cash to your Hub Account, in the event of a failure by us, unless this is in connection with a Portfolio within the Model Portfolio Service, in which case we will always reimburse you by a cash payment into your Portfolio.

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# General Terms

These Terms and Conditions set out the contract between you and us, Santander ISA Managers Limited (SIM). They explain our obligations to you, and your obligations to us. They are in addition to any other conditions that are implied or included by law, such as your statutory rights as a consumer, even if they don't appear in these Terms and Conditions.

## Structure of these Terms and Conditions

These Terms and Conditions, along with the Santander Investment Hub – Key Features Document and the declarations you made when applying for the Hub, comprise the agreement between you and SIM.

These Terms and Conditions are structured so that all of the General Terms apply to your use of the Santander Investment Hub (the Hub). The more specific terms that follow apply to specific services you use and/or specific products you invest in through the Hub. The 'specific' terms will highlight if they supersede or change how the General Terms operate.

When you use the Hub, these aren't the only terms and conditions that apply. The other terms that will also apply are the Santander UK plc:

- Online Banking Terms and Conditions  
([santander.co.uk/uk/online-banking-service-terms-conditions](https://santander.co.uk/uk/online-banking-service-terms-conditions))
- Cookie Policy  
([santander.co.uk/personal/support/customer-support/legal-information](https://santander.co.uk/personal/support/customer-support/legal-information))
- Privacy Statement  
([santander.co.uk/personal/support/customer-support/legal-information](https://santander.co.uk/personal/support/customer-support/legal-information))
- Online and Mobile Banking Commitment  
([santander.co.uk/uk/online-mobile-banking-commitment](https://santander.co.uk/uk/online-mobile-banking-commitment))

You can find these Terms and Conditions on our website [santander.co.uk](https://santander.co.uk). In the event of a conflict, these Terms and Conditions prevail.

When you access the Hub, you'll be asked to confirm that you agree to these Terms and Conditions.

It's important that you ensure that you carefully read these Terms and Conditions so that you can make an informed decision about whether you want to use the Hub. If there's anything you don't understand, please contact SIM on 0800 328 1328.

## Important information

SIM arranges your investment and is the ISA Manager for any investments you hold in the Stocks and Shares ISA.

SIM will purchase shares/units in the Funds, within the relevant Open Ended Investment Company (OEIC) and/or Unit Trusts, on your behalf. You can find information about the Funds available and who provides them when you're logged on to the Hub.

Santander ISA Managers Limited is authorised and regulated by the Financial Conduct Authority, Financial Services Register number 171448. The Financial Conduct Authority's address is 12 Endeavour Square, London E20 1JN.

You can only use this service to invest if you're a resident in the United Kingdom for tax purposes. You're not eligible if you're a US national. You must be aged 18 or over to apply.

We'll treat you as a retail client, which means you'll be provided the highest level of regulatory protection available.

## 1 Definitions

There may be additional definitions in each section of these Terms and Conditions.

### Account Investments

The Investments you hold in an ISA or Investment Account.

### Application

The details you give us to allow you to first use the Hub and then to open a Hub Account and any additional Investment Account(s).

### Associate company

Santander UK plc or any of its subsidiary companies or any company in the Santander Group, other than SIM.

### Cash

All money we hold for you including money allocated to the Cash Only Account and allocated as cash in your ISA and/or Investment Account.

### cash in your ISA

The portion of your Stocks and Shares ISA that is allocated to cash.

### cash in your Investment Account

The portion of your Investment Account that is allocated to cash.

### Cash Only Account

The online account we set up for you when you open a Hub Account. This is not a current account.

### CASS

The FCA's Client Assets Sourcebook.

### Client Money Rules

The client money rules in CASS 7 of the FCA's Client Assets Sourcebook in its Rules as amended from time to time and 'CASS' means that sourcebook. All Account Investments and Client Money will be held in accordance with this sourcebook.

### Dividend

A cash amount paid to a shareholder or unitholder. The amount of the dividend depends on the number of shares or units held.

### Document library

Our online filing system which you can access when you're logged onto the Hub where electronic copies of documents relevant to you will be stored.

### FCA

The Financial Conduct Authority.

### Fund(s)

Any of the funds that you can invest in.

### HMRC

Her Majesty's Revenue & Customs.

### Hub

The name of the Santander Investment Hub service we provide to you.

### Hub Account

The online account that holds your Investment Account(s) and/or Stocks and Shares ISA. Separate Hub Accounts will be set up for your individual holdings and joint holdings.

### Investment Account

The general investment account that holds your Account Investments that are not held in an ISA.

### Investments

Units and/or shares.

### ISA

A stocks and shares Individual Savings Account operated and maintained by SIM in line with the Individual Savings Account Regulations 1998 (as amended from time to time).

### OEIC

An Open Ended Investment Company authorised and regulated by the Financial Conduct Authority, in line with regulation 3 of the Open Ended Investment Company Regulations 2001 (as amended from time to time). In addition, this can also include offshore based open ended investment companies.

### Platform Service Fee

The fees charged by us for the provision of the services via the Hub.

### Nominee

Our nominee company, Abbey National Nominees Limited or any other company that may replace them, or any other nominee company which may be used to provide the services to you.

### Provider

A firm authorised to manage ISAs, or a fund manager if your Investments are held in an Investment Account.

### Regulations

The Individual Savings Account Regulations 1998 as amended from time to time.

### Regulator

An organisation that regulates either us or an Associate company.

### Rules

The rules, guidance, directions and other provisions in the FCA Handbook or otherwise made by the FCA as amended from time to time.

### SIM

Santander ISA Managers Limited.

### Tax year

The period from 6 April in one year to 5 April the following year.

### Terms and Conditions

These Terms and Conditions, along with any schedules as amended and supplemented from time to time. The latest version of the Terms and Conditions will always be available on our website.

### Unit Trust

A Unit Trust as defined by the Financial Services and Markets Act 2000 (as amended from time to time) and authorised and regulated by the Financial Conduct Authority.

### We (and us)

Santander ISA Managers Limited (SIM).

### Working day

Any English bank working day (days of the week not including Saturdays, Sundays and English public holidays).

## 2 Our Services

2.1 These Terms and Conditions set out the agreement between you and us, SIM, for the services we provide you.

2.2 Once you have access to the Hub, you can use the Hub to make certain Investments, hold them in tax wrappers (for example, a Stocks and Shares ISA) and view them online.

2.3 This service is an execution-only service where you'll be presented with various investment options you can research and it will be your choice should you decide to invest. We will execute your orders in accordance with these Terms and Conditions and we won't provide you with investment advice or discretionary management services in relation to the Investments. You may be able to receive these services from other members of the Santander UK plc group or other third party providers.

2.4 Where we deal on an execution-only basis we won't assess whether a product or service is suitable for you. This means that any transaction you make through the Hub won't benefit from the FCA's rules on suitability. If you have any doubt as to the suitability of an Investment or wish to obtain advice, please contact your financial adviser.

2.5 For some Account Investments, we may be required to assess the appropriateness of these for you and we may ask you to complete an appropriateness questionnaire when you make an initial investment or further investments.

2.6 Any advice provided to you by Santander UK plc or your independent financial adviser is specific to your and the market's situation at the time. If you wish to act on the advice at a later date and/or have invested in other Account Investments you should contact your Santander UK plc adviser or your independent financial adviser to assess whether the advice is still suitable for you, or if you had previously received online investment advice from Santander UK plc, use the Digital Investment Adviser service to receive updated investment advice. These Terms and Conditions don't cover the terms of any advice service. If you receive advice from Santander UK plc, they can only give restricted advice on investment products that are administered by us.

2.7 If you're in any doubt about using the execution-only service or making your own investment decisions, we recommend that you seek advice from a suitably qualified financial adviser.

2.8 We will provide you with a custody service in order to hold the Account Investments on your behalf.

## 3 Start date

3.1 Your Investment Account will begin as soon as we accept your completed Application and receive your payment and it has cleared.

3.2 Your ISA will begin as soon as we accept your completed Application and receive your valid payment.

3.3 If we don't accept your Application, we'll normally return your payment within 5 Working days and in accordance with the terms of paragraph 12.

## 4 Cash Only Account and cash in your ISA and/or Investment Account

4.1 When we open a Hub Account for you we'll also automatically open a Cash Only Account. The main purpose of this account is to pay the Platform Service Fee.

4.2 When you open an ISA and/or Investment Account, a portion of those accounts can also be allocated to cash. Any cash in your ISA and/or Investment Account can be used to purchase Investments.

4.3 The Cash Only Account and cash in your ISA and/or Investment Account are not current accounts. The actual Cash is held in one or more client money accounts, as explained in paragraph 12.

4.4 The client money account in which cash in your ISA is held, is designated as an ISA account under the Regulations. Money paid into cash in your ISA counts towards your annual ISA limit.

4.5 All cleared single lump sum payments will initially be allocated as cash in your ISA and/or Investment Account. We may also allocate additional amounts as cash in your ISA and/or Investment Account, for example by way of distribution payments or interest payments, income, or if investments are sold without making further purchases.

4.6 The balance of your Cash Only Account and cash in your ISA and/or Investment Account will be shown on your statements.

## 5 Interest

- 5.1 A specific rate of interest applies to the cash in your ISA and/or Investment Account and the balance of your Cash Only Account. This rate of interest may fluctuate. The applicable interest rates (or method of calculation) and any threshold amounts are explained on the Hub website. The applicable rate of interest may be more or less than we receive, or may be zero.
- 5.2 Any interest due will be calculated daily, based on the closing balance of the cash allocated to those accounts. Interest will be credited during the calendar month. In the event that you close your ISA or Investment Account mid-month, interest accrued will be credited pro-rata.
- 5.3 We may make changes to the rates of interest (including any method of interest rate calculation and/or any threshold amounts we use to decide which method of interest rate calculation or interest rate is applicable to you). We may do this without giving you any prior notice provided that there's a valid reason for making such a change and the change is proportionate and reasonable under the circumstances, for example:
- if the rate of interest we receive from the banks we hold your money with changes;
  - following, or in anticipation of, and to respond to, a change in any relevant law or to meet any regulatory requirement or to reflect new industry guidance or applicable code of practice;
  - to reflect other legitimate cost increases or reductions associated with our provision of the Hub and services to you, or to respond to the costs or consequences of any event beyond our control that may impact our provision of Hub Accounts or services to you; or
  - if the change is favourable to you.

## 6 Income

- 6.1 Some Account Investments generate income. When you open an ISA and/or Investment Account, you must choose whether to have this income paid as cash and allocated to cash in your ISA and/or Investment Account; into a nominated bank account; or to be automatically reinvested to buy more Account Investments in the same Fund. The choice you make will apply to all the Funds you hold in either the ISA or the Investment Account.
- 6.2 You can subsequently instruct us to move the cash in your ISA and/or Investment Account into a nominated bank account. When moved from your ISA, this will count as a withdrawal from an ISA.
- 6.3 If you'd like to change where your income is paid, you can do this online on the Hub or you can contact us using the details in paragraph 23. We'll normally make the change within 5 Working days.
- 6.4 It may take between 5 to 15 Working days after the Fund pays the income to us before the income is either paid to you, or reinvested or paid to your nominated account.
- 6.5 If you choose to have income automatically reinvested to buy more Account Investments in the same Fund and the value of the income is not enough to buy the smallest fraction of a share or unit available, we will allocate the income to cash in your ISA and/or Investment Account.

## 7 Tax – Applicable if you're covered by the tax requirements of another country

- 7.1 We may be legally obliged to disclose information about you and your Account Investments to HMRC, who may in turn pass this on to other tax authorities in line with international agreements or treaties that may be in force. You agree that we may provide any documentation or information to HMRC and that they may be obliged to share with an overseas Tax Authority in accordance with the provisions of any law, legislation or regulation of the UK.
- 7.2 You agree to provide us with personal information, declarations or certifications that we're required to retain by law within 30 days of us making a request to you to enable us to determine whether your details need to be reported to HMRC or another overseas Tax Authority, in line with paragraph 7.1 above.
- 7.3 You agree to inform us promptly in writing if any of your personal information changes, or if there's any change in circumstances following any certification that you may have provided to us, including if you become a US citizen or cease to be a UK resident for tax purposes.
- 7.4 We won't be liable to you for any loss you may suffer if we disclose information in accordance with our legal obligations.

## 8 Taking money out or cashing in your Hub Account

- 8.1 You can give us instructions to make one-off withdrawals or cash in some or all of your Account Investments at any time, online, by phone or by writing to us.
- 8.2 You can instruct us to make regular payments to you by specifying an amount, which we can pay to you monthly, quarterly, half yearly or yearly. You can define which Account Investments you want us to sell to generate this amount, or you can tell us to sell your Account Investments, pro rata according to the value held.
- 8.3 Where your instruction is for a specific cash value when selling part of your holding (rather than the proceeds of a number of shares or units), we may not be able to accept the instruction if it is to cash in 85% or more of the Fund's value.

- 8.4 We'll normally process your instruction within 5 Working days of receipt of correct instructions, however, you may request a date after this period if you like. Under the Regulations, we can take up to 30 days to process your instruction in relation to your ISA.
- 8.5 You can choose to have the proceeds allocated to either your Cash Only Account; cash in your ISA and/or Investment Account; or a nominated bank account of your choice. Any such proceeds from an Investment Account allocated to cash in your ISA will count towards the annual ISA subscription limit.
- 8.6 If you withdraw or cash in only some of the Account Investments, you must keep to any minimum or limits and restrictions we tell you about in the Santander Investment Hub – Key Features Document. The amount you get may be affected by any money we keep under paragraph 17. Flexible features don't apply to withdrawals from the ISA. This means you can't replace any money withdrawn in the same tax year without it counting towards your annual ISA limits.
- 8.7 If you close your Investment Account and/or ISA, any Platform Service Fee owing will be deducted from the proceeds.
- 8.8 You may close individual accounts within your Hub Account such as an ISA or an Investment Account. You can also close your Hub Account which will mean that all accounts within it are also closed. If you want to close an account, you must instruct us to do this by phone or by writing to us. Accounts are not automatically closed when you sell all investments and withdraw all cash held in that account or where you transfer all investments out of that account.

## 9 Joint Hub Account(s)

- 9.1 You're responsible individually and together for observing these Terms and Conditions, including paying charges and any other money rightfully due to us. If one of you dies, the Account Investments belongs to the remaining holder.
- 9.2 Where an Investment Account is held jointly, but with different security details to access the Hub:
- the Investment Account will be accessible by both holders;
  - if one of you dies, we will, on receipt of satisfactory evidence of the death, treat the survivor as being entitled to operate the Investment Account; and
  - if one of you tells us that there is a dispute between the two of you, we may freeze the Investment Account until we receive written instructions from both of you.
- 9.3 Where the Investment Account is to be held jointly by two individuals, we'll normally accept instructions from either one of you, but we can't be required by you to accept instructions from both of you only. However, there may be circumstances where we'll insist on receiving instructions from both of you.
- 9.4 Where an Investment Account is jointly held, any correspondence will be provided to both holders named on the Application.
- 9.5 An ISA can't be held jointly.
- 9.6 There can only be two holders of a joint Investment Account.
- 9.7 Where you receive advisory services and you have a joint account, Santander UK (who provides the advisory services) only needs permission from one account holder to view your joint account on the Hub.

## 10 Recognising others to exercise your rights

- 10.1 Our relationship is with you and we won't recognise the interest or claim of any other person unless, by law, we have to (for example, where arrangements have been established under a trust). This means, for example, that you can't use any of the Account Investments as security for any borrowing or other money that you owe.
- 10.2 If you become incapable of managing your affairs we may allow a person appointed by the Court to manage your affairs to operate your Hub and the Hub Account(s) within it.

## 11 Using others to carry out our duties

- 11.1 We may use an Associate company or other companies not connected with Santander UK plc to provide services relating to the Hub and accounts within it and pass all necessary information to them. If we appoint others:
- we'll keep responsibility for the way these duties are carried out; and
  - we'll make sure we're satisfied that the Associate company or other company is able to carry out the duties.
- 11.2 We may appoint, in our place, an Associate company as Provider of your ISA. The Associate company must be approved under the relevant Regulations as a Provider. We must give you notice in writing beforehand, so that you have the chance to transfer your ISA to a different Provider if you prefer.

## 12 Client money

- 12.1 We'll hold all Cash as client money before we invest it, or return or pay it to you in accordance with your instructions. This includes:
- any payments you make to us,
  - any money allocated to the Cash Only Account or cash in your ISA and/or Investment Account,
  - any money due to you, such as income, and



d) the proceeds of selling any Account Investments on your behalf.

We'll treat the money above in accordance with the FCA Client Money Rules.

- 12.2 Client money will be held in one or more accounts that we hold with Santander UK plc or other approved banks, that may or may not be interest bearing. These client money accounts may also include money we've been given by other customers because we also hold their money. This means that your money is held as part of a common pool of money, so you don't have a claim against a specific account; your claim is against the client money pool in general. The client money account(s) will however, not hold our own money which means that these pooled client money accounts are kept separate from our own money held with such a bank. If you've given us an investment instruction, your money remains in the client money account until the deal settles and the money is transferred directly from the client money account in order to pay the settlement amount. If you've given us a sell instruction, the proceeds of the sale will be transferred directly to the client money account when the deal settles. For all payments out, your money will remain in a client money account until you've received and cashed any proceeds due to you.
- 12.3 We'll use reasonable skill, care and diligence in selecting, appointing and monitoring an approved bank with whom we deposit your money, but we are not liable for that bank's acts or omissions.
- 12.4 In the event that the approved bank becomes insolvent, your money would be pooled with the money of our other clients held with the approved bank and any shortfall would be borne by all of the clients in that pool proportionately. If you have a shortfall, you may be eligible for compensation under the Financial Services Compensation Scheme. If we were to become insolvent and there's a shortfall in the client money account, any losses will be shared proportionately across all our customers with money in that account in accordance with the Client Money Rules.
- 12.5 In accordance with the Client Money Rules, we may cease to treat your money as client money where:
- fees are due and payable to us or a third party. We can use client money to pay those fees; please see paragraph 17.
  - there's been no movement on your balance in the client money account for six years (any payments of charges or receipts of income or similar items will be disregarded) and we'll follow this procedure:
    - After this time we'll write to you at your last known address stating our intention to no longer hold these funds in a client money account, giving you 28 days to make a claim;
    - For amounts under the FCA de minimis limit (£25 and under), if after 28 days no claim has been made, we'll wait a further 28 days before the unclaimed funds will be paid to a charity of our choice;
    - For amounts over the FCA de minimis limit, we'll make further attempts to contact you in accordance with the FCA's requirements and where no claim has been made, we'll wait a further 28 days before the unclaimed funds will be paid to a charity of our choice;
    - After the notice of intention to pay the funds to a charity of our choice has been issued and after waiting a further 28 days, your money will cease to be treated as client money.
    - However, this won't affect your rights to this money at any time in the future. In such circumstances, we (or an Associate company) will unconditionally undertake to pay you a sum equal to the relevant client money balance paid away in the event that you seek to claim that balance in the future.

### 13 Transfer of business

- 13.1 Except in respect of FCA de minimis sums transferred in accordance with the Client Money Rules (where your consent isn't required), you agree that as part of a transfer of all or part of our business to a third party, we may transfer, without your specific consent, any sums held as client money that relate to the business being transferred:
- provided that such third party will continue to hold your investment in accordance with Client Money Rules; or
  - where this is not the case, we'll exercise all due skill, care and diligence in assessing whether the third party will apply adequate measures to protect your investment.
- 13.2 We'll give you 30 days' prior notice of any transfer, unless it's impracticable to do so in the circumstances and in any case, we'll notify you no later than 7 days after the transfer takes place.
- 13.3 For the purposes of this paragraph, the FCA de minimis sum shall mean £25 or less.

### 14 Cancellation rights

- 14.1 You can sell all or part of your Account Investments at any time, for any reason e.g. if you decide that you no longer want to invest or if you have changed your mind. You can choose whether to pay the proceeds into a nominated bank account, leave them in the account as cash or invest them once the sell transaction has gone through.
- 14.2 When you agree to open an account, or transfer an ISA or make an investment transaction following the receipt of face-to-face or telephone advice from a Santander UK adviser, you can cancel the opening or transfer of that ISA, or the transaction within 21 days of receiving the cancellation notice.

Where the advised transaction that you are cancelling was the first payment you have made into an ISA in the tax year, then you will not be treated as having subscribed to the ISA in that tax year.

If you cancel within the cancellation period set out above, any income or capital gains made are exempt from Income Tax or Capital Gains Tax.

If you transfer in your ISA from an existing Provider and subsequently change your mind and wish to exercise your right to cancel, your existing Provider may not accept the return of the ISA funds. In this case, you can either continue your ISA with us or transfer your ISA in full to another Provider. You'll need to contact your new Provider to arrange the transfer. If you don't transfer your ISA in full to another Provider, the ISA will continue with us.

- 14.3 If you cancel an account and that is the only account you hold in the Hub, the Hub will also be cancelled.
- 14.4 If you cancel your Cash Only Account, the related ISA and/or Investment Account will be cancelled.
- 14.5 If the payment being cancelled is the initial payment to establish the Hub Account, we'll also cancel the Cash Only Account (that we have automatically opened for you) and terminate the Hub.
- 14.6 If the payment being cancelled is the initial payment to establish an ISA and/or Investment Account within an existing Hub, we'll also cancel that ISA or Investment Account. We won't terminate the Hub.
- 14.7 If the payment being cancelled is a transaction within an existing Hub Account, we won't cancel the account or terminate the Hub.
- 14.8 If you cancel any Account Investments in your Hub Account, you may not get your full investment back, as the amount you get back will be reduced by any fall in the value of your investment during that period. Cancellation rights don't apply to switches.
- 14.9 If you don't want to cancel, you don't have to do anything.

### 15 When we may close your Hub Account

- 15.1 We'll give you three months' written notice if we decide to stop providing a particular account in your Hub Account because:
- we decide in good faith that it is no longer reasonably practical for us to keep to the Regulations; or
  - we decide that managing the type of Hub Account has stopped being commercially worthwhile for us, including when the value of your account falls below any minimum we've told you about in the Santander Investment Hub – Key Features Document.
- During the period of notice you can transfer your ISA and/or Investment Account to another Provider (please see schedule 3). If you don't transfer your ISA and/or Investment Account during the period of notice, we may close your ISA and/or Investment Account. We will then hold the Account Investments in accordance with CASS. Any funds removed from your ISA will lose their tax-efficient status.
- 15.2 We may close your Hub Account either immediately or at the end of the tax year if:
- you withdraw or cash in all of the Account Investments; or
  - the value of the Account Investments is less than the minimum shown in the Santander Investment Hub – Key Features Document.
  - you behave in a manner that makes it inappropriate for us to maintain your Hub Account (for example, by abusing people who work for us).

15.3 Where, under 15.1 we've decided to close your ISA, we may close your ISA immediately if you've already paid in the maximum amount allowed by the Regulations during the tax year. Otherwise we'll wait until the end of the tax year, in case you decide to make any further payments.

- If we determine or HMRC tells us that your ISA has or will become 'void', we'll give you written notice of this straight away, and we'll have to close your ISA.
- If we close your ISA, we must follow the relevant Regulations.

15.4 We won't be liable to you for any loss, liability or damage that you suffer as a result of closing the Hub Account. We'll give you all relevant information and certificates you need that relate to tax under the Regulations. In respect of shares in an OEIC or units in a Unit Trust and except for any amount we keep under paragraph 17, we'll pay the proceeds or transfer the Account Investments to you. In respect of other Account Investments and except for any amount we keep under paragraph 17, we'll pay the proceeds to you.

### 16 Changing these Terms and Conditions

- 16.1 We may change or add to these Terms and Conditions at any time in accordance with this paragraph. We may make a change or addition without giving you prior notice if:
- you'll benefit from the change or addition;
  - you'll take the full benefit whether or not you've been told about the change or addition; or
  - a Regulator makes us make a change or addition at short notice, which means that we may not be able to give you notice of that change or addition.

- 16.2 For all other changes or additions, we'll give you at least 30 days' notice.
- 16.3 We may make a change or addition to:
- reflect an actual, or reasonably expected, change in law or regulation or to our way of doing business, including the introduction of new technology; or
  - reflect any other actual or reasonably expected change that affects us if it is reasonable for us to pass the impact of the change on to you.
- 16.4 In addition, we may change or add to these Terms and Conditions for any other reason not stated in these Terms and Conditions. We'll always give you at least 30 days' prior personal notice of the change in advance of making the change and we'll notify you that the change has been made under this paragraph. If you do not agree with the change, you may terminate your contract with us without penalty. Where you've given us an email address in your Application we'll notify you by email when such notification has been sent to your Document library, if you've agreed to use our paperless service. Following our notification to you and at any time up to the date on which the change is due to take effect, you may end your use of the Hub without any extra cost.
- 16.5 If we change or add to the Terms and Conditions and you don't want to be bound by the change or addition, you can transfer your ISA and Account Investments held in an Investment Account immediately to another Provider (please see schedule 3) and end your use of the Hub without extra cost.
- 16.6 If you don't tell us that you want to end your use of the Hub before the implementation date of the proposed change, we'll assume you've accepted the change and it'll take effect on the date of the proposed change. Our contact details are in paragraph 23.

## 17 Charges

- 17.1 Details of the Platform Service Fee (including when it's calculated and when it's due and payable) are set out in the appropriate Santander Investment Hub – Key Features Document. Details of the Fund charges are set out in the Key Investor Information Document or Key Information Document, where relevant.
- 17.2 We deduct the Platform Service Fee from the Cash Only Account unless you have arranged to pay your Platform Service Fee by variable Direct Debit. We can also use the balance in the Cash Only Account to pay any tax or other amount necessary to HMRC or other government agencies as requested in relation to your ISA and Investment Account. If we don't know how much the tax or other amount will be, we may keep an amount that we feel is reasonable and appropriate.
- 17.3 You can arrange for your Platform Service Fee to be paid by variable Direct Debit. If you haven't arranged a variable Direct Debit, or where that variable Direct Debit isn't set up in time or where the variable Direct Debit has been set up but the Platform Service Fee has not been successfully collected, and there is insufficient cash in your Cash Only Account, you agree that we may sell Account Investments to the value of the amount owed. Where charges are more than 85% of the Fund's value, then we may sell all of your Account Investments in that fund and apply the proceeds towards payment of these charges. We'll collect payment in the following order:
- remaining amounts in your Cash Only Account;
  - cash in your Investment Account;
  - by selling Account Investments in your Investment Account;
  - cash in your ISA; and
  - by selling Account Investments in your ISA.
- 17.4 If we sell any Account Investments in accordance with the above, we'll sell the most recently purchased Account Investment. If you hold a joint Hub Account, we'll sell the Account Investments that were most recently purchased in joint names.
- 17.5 If we sell any Account Investments in accordance with the above, we won't send you a contract note but we'll inform you of the details via your statements. The statements will only include completed transactions. You can see details of all completed transactions online at any time.
- 17.6 Note that if Account Investments in an ISA are sold, you'll lose the tax-efficient benefits associated with them and you may not be able to replace any amount withdrawn from your ISA in the same tax year without it counting towards your annual ISA limits.
- 17.7 If an Investment Account and/or ISA is closed or transferred out, any Platform Service Fee owing will be deducted from the proceeds.
- 17.8 Please refer to the Santander Investment Hub – Key Features Document for details of any charge that applies if you don't use our paperless service.

## 18 Changing the charges

- 18.1 We may change the charges at any time in accordance with this paragraph. We may make a change without giving you prior notice if:
- you'll benefit from the change; or
  - you'll take the full benefit whether or not you've been told about the change.

- 18.2 If a Regulator requires us to make a change at short notice, we may not be able to give you prior notice of that change. Otherwise we'll give you at least 30 days' notice of any increase in our charges. If you're entitled to a longer period for a particular Account Investment, we'll give you at least that period of notice.
- 18.3 We may make a change to our charges to:
- take account of an actual, or reasonably expected, change in the interest rates we have to pay, for example as a result of a change to the Bank of England Base Rate; or
  - reflect an actual, or reasonably expected, change in our underlying costs or in law or regulation or to our way of doing business, including the introduction of new technology; or
  - reflect any other actual or reasonably expected change that affects us if it is reasonable for us to pass the impact of the change on to you.
- 18.4 We may also change our charges for any valid reason not stated in these Terms and Conditions. We'll always give you at least 30 days' prior personal notice of the change at the earliest opportunity and we'll notify you that the change has been made. We'll notify you by email when such notification has been sent to your Document library if you use our paperless service. Following our notification to you and at any time up to the date on which the change is due to take effect, you may end your use of the Hub without cost.
- 18.5 If you don't tell us that you want to end your use of the Hub before the implementation date of the proposed change, we'll assume you've accepted the change and it'll take effect on the date of the proposed change.
- 18.6 If we change our charges and you don't want to be bound by the change or addition, you can transfer your ISA immediately to another Provider (schedule 3) and end your use of the Hub without cost.

## 19 If we can't provide services

- 19.1 If we can't provide services because of something beyond our reasonable control (including strikes, industrial action or the failure of equipment or power supplies), we won't be liable to you for any loss you suffer.

## 20 Liability

- 20.1 We aren't liable to you for errors of judgement or for any other action we have or haven't taken, in good faith, in connection with your use of the Hub and the Hub Accounts within it, unless we've defaulted on our obligations or been negligent. However, nothing in these Terms and Conditions excludes or restricts any liability that we may have by law, or as a result of breaking the rules of a Regulator, or as a result of breaking the Regulations. We don't provide any assurance to the performance of Account Investments. We won't be responsible for any loss of opportunity through which the value of a Hub Account could have been increased, or for any reduction in the value of a Hub Account, unless the loss is caused by our default or negligence.

## 21 Death

- 21.1 If you die, we'll deal with the Account Investments as instructed by your personal representatives. They must first prove they have authority to give us this instruction. They can ask us to cash in the Account Investments and pay the proceeds to them in cash, or they can ask us to transfer the Account Investments to them. We may have to keep some money under paragraph 17 of the General Terms.
- 21.2 Please refer to schedule 3, part A for more information about the impact of your death on an ISA held in the Hub.

## 22 Statements

- 22.1 We'll provide you with a statement four times a year. Each statement will contain the value of your Account Investments, the basis for valuation and details of any transactions carried out since:
- you set the Hub Account up; or
  - the date of the last statement, if this is later.
- Your statement will show the value of your Account Investments that have passed the trade confirmation date. This is known as a trade date valuation basis.
- 22.2 If you ask to transfer, withdraw or cash in any or all of the Account Investments, we'll provide you with a statement of the value of the relevant Account Investments and how we have arrived at the value.
- 22.3 You can view and download your statements from your Document Library. If you've agreed to use our paperless service, we'll notify you by email when a new statement is available to view in your Document library. If you've not signed up for our paperless service we'll send you a paper copy of your statement to your last known address.

## 23 Notices

- 23.1 Any notice under these Terms and Conditions must be given, in English, as follows:
- By you to: Investment Centre, Santander ISA Managers Limited, 287 St Vincent Street, Glasgow G2 5NB. This address will apply both to us and to Associate companies; and
  - By us (or a relevant Associate company) to you by email to your email address registered with the Hub, if you've agreed to use our paperless service, or if you've not signed up to our paperless service, to your last known address. Notices sent to you will also be filed in your Document library.

23.2 We or the Associate company will send a personal notice to you. We or an Associate company may also display general notices in Santander branches or on our website.

## 24 Your address

24.1 The postal address you give us must be the address of your permanent home and will be the one we send any letters to. You must tell us straight away if you change either your postal or email address and we may ask you to confirm it in writing.

## 25 Telephone conversations and electronic communications

25.1 To help us improve our service and meet our regulatory obligations we may record or monitor phone calls and electronic communications. Where such records exist, you have the right to request a copy of these records for a period of up to 5 years by writing to Data Subject Access Requests, Santander UK plc, PO Box 111, Bradford, BD1 9NQ.

## 26 Making a complaint

26.1 If for any reason you're unhappy with the service we've provided then please contact our dedicated complaints department on 0800 171 2171. We will aim to provide you with a decision as quickly as we can. Our Complaints Leaflet is available upon request and contains further information on our complaints process, including the handling timescales. This information is also available on our website at [santander.co.uk](http://santander.co.uk). You may also be able to refer your complaint to the Financial Ombudsman Service. Details of how to complain to the Financial Ombudsman Service are available at: [financialombudsman.org.uk](http://financialombudsman.org.uk).

Alternatively, if you originally purchased your product with us online, you could submit your complaint through the European Commission's Online Dispute Resolution website. The European Commission may ultimately forward your complaint to the Financial Ombudsman Service. You can find out more information at [ec.europa.eu/odr](http://ec.europa.eu/odr).

## 27 The Financial Services Compensation Scheme

27.1 We are covered by the Financial Services Compensation Scheme (FSCS). You may be eligible to compensation from the scheme if you have a valid claim against us in respect of investment business and we cannot meet our obligations to you.

27.2 For full details on what compensation cover applies to your Investments, including the maximum scheme limit in place available under the FSCS, please refer to the relevant Santander Investment Hub – Key Features Document or contact the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk) or 0800 678 1100.

In this paragraph "investment business" includes where contractual arrangements are such that cash is held in connection with investing in stocks and shares.

## 28 Governing law

28.1 These Terms and Conditions are governed by whichever of the following is more favourable to you:

- a) the laws of Scotland; or
- b) the laws of the jurisdiction within the United Kingdom where you lived when this Agreement was made.

28.2 You and we agree to submit to the non-exclusive jurisdiction of the courts within the United Kingdom where you lived when this Agreement was made.

28.3 The Terms are in English and all communications we send to you will be in English.

## 29 Conflict of Interest Policy

29.1 Our Conflict of Interest Policy is designed to help identify potential conflicts of interest that may arise. You can find a copy on [www.santander.co.uk/personal/savings-and-investments/investments/fees-charges-and-key-documents](http://www.santander.co.uk/personal/savings-and-investments/investments/fees-charges-and-key-documents) under the heading 'Other documents'.

# Schedule 1: Accessing the Hub

## 1 Additional definitions

In addition to the terms defined earlier, words in this schedule 1 have the following meanings:

### Nominated user

A person who:

- a) has been authorised by you in accordance with these Terms and Conditions; and
- b) has complied with the requirements of these Terms and Conditions and with any other requirements that we shall specify from time to time.

### Online Banking service

Means the Online Banking service provided by Santander UK plc through which you can find the link for accessing the Hub.

### Security Details

Means the security information you'll need to access the Online Banking service.

The terms relating to this security information are contained in the separate Online Banking Service Terms and Conditions provided by Santander UK plc (as amended from time to time).

## 2 Accessing the Hub

2.1 When you register for the Hub, if you're a new investment customer, or were an existing investments customer before the Hub was available, we'll send you your Security Details for the Hub and separate Security Details for the Online Banking service. If you already use Online Banking, you can use your existing Security Details.

2.2 You can use the Hub to carry out the operations set out below. Please note that this list isn't exhaustive:

- a) View the value of your Investment Account(s) and/or ISA and the balance allocated to your Cash Only Account;
- b) View transactions from your Investment Account(s) and/or ISA;
- c) Transact on an execution-only basis;
- d) Access information relating to your investments.

2.3 We may, from time to time, advise you of changes to the way in which you should access or operate the Hub and it is important that you take account of these changes.

2.4 Third parties may be provided with access to your accounts including Santander UK in connection with any advisory services you receive.

## 3 Security, Privacy and Data Protection

3.1 Please note, to help prevent unauthorised persons from being able to access information concerning your Hub Account and to give instructions in relation to your Hub Account, it's very important that you follow the security procedures set out in the Security Policy, which can be found at:

[santander.co.uk/uk/online-mobile-banking-commitment](http://santander.co.uk/uk/online-mobile-banking-commitment)

When you use the Hub, we may automatically collect and store certain information in server logs, including but not limited to internet protocol (IP) addresses; internet service provider (ISP); clickstream data; browser type and language; viewed and exit pages; and date or time stamps, which we use for internal reporting and audit purposes. Please refer to the Privacy Statement, which can be found at [santander.co.uk/personal/support/customer-support/legal-information](http://santander.co.uk/personal/support/customer-support/legal-information)

## 4 Availability of the Hub

4.1 General Availability

The Hub will generally be available for use 24 hours a day. Our security helpline is also available 24 hours a day.

4.2 Suspension of the Hub

- a) We may have to suspend the Hub if we need to address technical or security problems and we'll use reasonable endeavours to restore the service as soon as reasonably practicable. We'll let you know in advance if this happens, unless the problem is urgent or an emergency (we'll notify you as soon as reasonably practicable). We won't be liable to you for the unavailability of the Hub during suspension.
- b) Your individual use of the Hub may be suspended if:
  - (i) we have concerns about the security of the Hub;
  - (ii) we suspect your use of the Hub has been fraudulent or is being conducted in an unauthorised way;
  - (iii) we are required by the Rules and Regulations to do so.

## 5 Paperless service

5.1 This paragraph applies if you're using the paperless service available via the Hub. When you open a Hub Account, you will automatically receive a paperless service unless you opt out. Where a Hub Account is operated jointly both of you need to opt out of the paperless service.

5.2 You agree that documents may be sent to you electronically and to your Document library. We won't send you statements or correspondence for the Hub Account and investment services by post unless you ask us to start sending you paper statements and/or correspondence again.

5.3 If you intend to close an account you use our paperless service for, please make sure you print copies for your records before you do so, as you'll no longer be able to access your Hub Document Centre once the account is closed.

5.4 You can ask us to start sending your correspondence in paper and by post, at any time by changing your preferences on the Hub.

5.5 Please refer to the Santander Investment Hub – Key Features Document for details of any charge that applies if you don't use our paperless service.

## 6 Using the Hub

### 6.1 Protecting against computer viruses

You must take reasonable measures to ensure that any system you access the Hub through is free of computer viruses and adequately maintained so that you can use the Hub safely and without interruption. As the Hub is accessed through the internet (a public system we have no control over, which is susceptible to viruses, security breaches and other incursions by unauthorised third parties), any computer or other device you use to access the Hub must have adequate, up-to-date anti-virus protection software.

### 6.2 Use of other people's equipment

You must not access the Hub using any computer or other device you don't own, unless you get permission from the owner first. You'll be responsible for all losses suffered or incurred by us as a result of your breach of this requirement. We can't accept responsibility for computer and other equipment (such as mobile or tablet devices, routers or other networking equipment), which you use to access the Hub.

### 6.3 Access through the services of third parties

We are not liable for third parties' services used to access the Hub that are beyond our reasonable control (such as your internet service provider). We aren't liable for any loss you suffer as a result of using any such services. You must comply with all terms of business applying to any such service and pay any charges in connection with each such service. You must compensate us for any loss we suffer as a result of you using any such services.

### 6.4 Accessing the Hub from abroad

We use encryption techniques, which may be illegal in jurisdictions outside the UK. If you want to use the Hub when you're temporarily outside the UK, it's your responsibility to make sure that your ability to use the Hub is permitted by the local laws of any country you access the Hub from, and we aren't liable for any losses you suffer as a result of not being able to use the Hub in other countries.

### 6.5 Accuracy of information

We'll take reasonable care to make sure that any information provided to you through the Hub is an accurate reflection of the information we have in our computer systems, or that we receive from third parties. In order to see the most up-to-date information available, you may need to refresh your screen from time to time. Where the accuracy or provision of the information provided via the Hub is beyond our reasonable control (such as where it's provided by a third party), we can't guarantee that it is accurate or error free.

## 7 Liability in connection with the Hub

7.1 This paragraph details your and our liability in respect of the Hub. This is in addition to our liability to you in the General section of these Terms and Conditions and in the Online Banking Terms and Conditions.

### 7.2 Our liability to you

We are responsible for losses you suffer as a result of our negligence or wilful breach of the terms in this schedule 1. We may be responsible for other losses, but only if the losses are a reasonably foreseeable consequence of those events. We aren't responsible for indirect losses – those that happen as a side effect of the main loss and which aren't reasonably foreseeable by you and us (such as loss of profits or loss of opportunity). In particular, the loss we won't be liable for includes, but isn't limited to loss or damage resulting from:

- a) any incompatibility between your system and the Hub;
- b) any machine, system or communication failure, industrial dispute or other circumstances beyond our control leading to the total or partial unavailability of the Hub or to instructions given under the Hub not being acted upon promptly or at all;
- c) any reliance by you on financial information (e.g. the details of account balances or the price of an investment) provided to you as part of, or by means of, the Hub (this is in part because there are limits on the quality of information we can supply);
- d) any misuse of your Hub Account(s) by yourself or any other person; or
- e) any access to information about your Hub Account(s) obtained by any third party as a result of you or any person authorised to use the Hub in connection with your Hub Account(s) using the Hub (other than where such access is obtained as a result of our negligence or wilful default).

### 7.3 Your liability to us

You'll be responsible to us for any loss we suffer as a result of any fraudulent breach by you or where you intentionally or gross negligently fail to comply with these Terms and Conditions. We won't be responsible to you if you don't keep your Security Details safe or if you fail to notify us if you suspect that someone else may know your Security Details.

# Schedule 2: Investment Services

## 1 Transactions

- 1.1 We may delay, suspend or refuse to carry out or allow any transaction if we aren't reasonably satisfied that:
  - a) the transaction is legal or we have reasonable cause to believe that the proposed transaction may constitute market abuse or market timing;
  - b) it is allowed by the Rules and Regulations; or
  - c) it is you who has asked for it or authorised it (in other words, we may ask you to prove your identity).

## 2 Account Investments

- 2.1 The Account Investments available can be found on the Hub website.
- 2.2 Where available to us from the relevant fund manager, we'll provide to you the Key Investor Information Document or Key Information Document, where relevant, for each Fund on the Hub. We aren't responsible for the content or accuracy of documents provided by any Provider.
- 2.3 We may add Account Investments or Funds to the range of investments available for investment from time to time. In certain circumstances we may withdraw an Account Investment or Fund from the range of investments available for future investment.
- 2.4 If you've invested in an Account Investment that is then withdrawn, we'll notify you of this change and explain how this may affect you. Any existing regular investments that you make may be redirected into the cash in your ISA and/or cash in your Investment account (as appropriate). In exceptional circumstances, we may require you to remove your holdings in a withdrawn Account Investment from the Hub by selling your Account Investments or re-registering those Account Investments into your own name or into the name of another nominee.
- 2.5 If we're notified by a Provider that a Fund is to be wound up, where you hold Account Investments in such a Fund, we'll give you as much notice as practicably possible with details of the options available to you.
- 2.6 If we're notified by a Provider that a Fund is to be closed to new investment, while you can continue to hold your Account Investments in that Fund, you won't be able to make any further investment in that Fund.

## 3 Buying and selling Account Investments

- 3.1 If you wish to buy Account Investments, you need to ensure that we receive your instructions before the dealing cut-off point for that Account Investment (as stated in the Santander Investment Hub – Key Features Document) and ensure that we are holding sufficient cleared funds from you. It can take 10 Working days to set up a new Direct Debit instruction. Direct Debit and debit card payments can take up to three Working days to become cleared funds. Where you give us an instruction after the dealing cut-off point, or before the dealing cut-off point but sufficient funds have not cleared, in either case we will not execute your instruction on that day and will not be liable to you for failing to do so.
- 3.2 If the Account Investments are in Funds, and we receive your cleared funds before the dealing cut-off point, we'll normally buy shares or units at the price worked out at the next valuation. If we receive your instruction to sell before the dealing cut-off point, we'll normally sell shares or units at the price worked out at the next valuation. You'll find details of the arrangements and pricing for buying, selling and switching of Funds in the relevant Key Investor Information Document or Key Information Document, where relevant, and the relevant Prospectus. You can ask us for these documents.
- 3.3 If we receive an instruction from you to sell shares and/or units in a particular Fund (including by way of a switch or an ISA transfer out) and a previous instruction by you to buy shares and/or units in that same Fund has not been settled yet by the Provider, or a previous sell instruction has not yet settled or there is a pending transaction on your shares and/or units in that same Fund for the payment of a fee, we may not be able to place your subsequent sell instruction until such time as it has.
- 3.4 The proceeds from a sale will only be available to you when we have received the sale proceeds from the Provider. This will not apply where we sell Account Investments to pay for any Platform Service Fee owed.
- 3.5 Some Funds may have a minimum deal size. We reserve the right to reject your instruction if the minimum aggregated trading amounts from all customers who want to deal in that Fund, on that day, are not achieved. If we reject an instruction we'll return your money to the cash in your ISA and/or Investment Account.

## 4 Switching

- 4.1 You can ask us to carry out a switch, that is to sell some or all of the shares or units in one Fund, and use the proceeds to buy shares or units in another Fund:
  - a) from one investment to another inside an Investment Account;
  - b) from one investment to another between Investment Accounts inside the Hub; and
  - c) from one investment to another inside an ISA.

4.2 Switching will also depend on any restrictions shown in your Santander Investment Hub – Key Features Document. We'll send you confirmation of the switch within 2 Working days of doing it.

## 5 Who owns the Account Investments?

5.1 You own the Account Investments either directly or indirectly, as explained in these Terms and Conditions. You aren't allowed to transfer your rights to the Account Investments to any other person.

## 6 Who holds the Account Investments?

6.1 We hold the Account Investments on your behalf and, in this regard we are known as your custodian. The Nominee will be the registered owner of your Account Investments where applicable. We or the Nominee will hold all certificates and other documents relating to this. We'll accept liability for any default of the Nominee that affects you. We can't lend the Account Investments to anyone else and we can't borrow money against the security of those investments.

6.2 We can appoint sub-custodians and we will comply with the requirements of the Rules when we do so. Such sub-custodians may take what is known as a 'lien' or 'power of sale' over Account Investments held with them which means that they can use such Account Investments to cover any non-payment of fees due to them.

## 7 Your rights as a 'beneficial owner'

7.1 If you hold an Investment Account, we will not ordinarily tell you about any shareholder and/or unitholder meetings that you can attend. Either we or the Nominee will hold the voting rights in relation to your shares and/or units. However, we may seek your direction regarding any vote and will act on your instructions if you provide any. If you don't vote or provide us with your instructions, we or the Nominee may vote on your behalf.

7.2 If you hold an ISA, you can ask us to tell you about any shareholder and/or unitholder meetings that you can attend. Either we or the Nominee will hold the voting rights in relation to your shares and/or units. On your request, we will seek your direction regarding any vote and will act on your instructions if you provide any. If you don't vote or provide us with your instructions, we or the Nominee may vote on your behalf.

7.3 The Prospectus, Annual Report and Accounts for any of the Funds are available from the relevant fund manager's website. You can write to us to ask for copies of these documents for any Issuer of Account Investments.

## 8 Contract notes

8.1 A contract note will be issued for:

- a) all lump sum investments or withdrawals you make, and
- b) on the first occasion of any regular investments or regular withdrawals you make.

The contract note will show you the price dealt at and the date of transaction and will be issued within 1 Working day of receiving a valid instruction and executing it.

8.2 A contract note will not be issued for:

- a) any payments from income that you have chosen to be automatically reinvested to buy more Account Investments in the same Fund,
- b) any investments sold to pay for any Platform Service Fee owed, and
- c) on the subsequent occasions of any recurring investments or withdrawals.

Details of these completed transactions will be shown on your statements and can be viewed online at any time.

## 9 Best Execution Policy

9.1 Our Best Execution Policy describes how we will execute transactions on your behalf. You can find a copy in your Document Library on the Investment Hub.

# Schedule 3: Investment Products

## Part A: The ISA

### 1 Opening an ISA

1.1 This is a Stocks and Shares ISA

1.2 In order to open the ISA, you must complete an Application and provide us with such information as we reasonably request to enable us to open the ISA and provide you with the service.

1.3 We reserve the right to reject any Application.

1.4 To open and maintain an ISA, you must:

- a) be a UK resident and have a permanent UK residential address (unless you're a crown employee working overseas); and
- b) be at least 18 years old.

Should you, at any time, fail to meet the criteria in this paragraph we won't accept subscriptions into your ISA and will instead divert them to your Investment Account, if you have opened one. If you don't have an Investment Account, we will return the subscriptions to you.

1.5 An ISA cannot be opened as a joint account or in trust.

1.6 The ISA will be, and must remain in, your beneficial ownership and must not be used as security for a loan.

### 2 Appointment

2.1 You appoint us as the account manager for your ISA. We'll operate your ISA in accordance with these Terms and Conditions and the Rules and the Regulations. You authorise us to undertake on your behalf, and as your agent, any functions we are required to perform for this purpose. You appoint us as your custodian to hold the Account Investments in your ISA on your behalf.

### 3 Paying into your ISA

3.1 You must make payments into your ISA with your own money. Your payments must not be less than any minimums stated in the Santander Investment Hub – Key Features Document and not go over the limits laid down in the Regulations. In addition, the remaining balance must stay above the amount stated in the Santander Investment Hub – Key Features Document. We reserve the right to satisfy ourselves that you have used your own funds.

3.2 The Santander Investment Hub – Key Features Document explains how you can pay into your ISA.

3.3 If you don't pay into your ISA during a tax year and want to pay in a following tax year, you'll need to make a fresh Application before we can accept your further payment. This is a requirement of the Regulations.

3.4 You can also sell Account Investments in your Investment Account and use the proceeds to pay into your ISA by reinvesting the proceeds into the same Account Investments, or other investments of your choice. Any such proceeds from an Investment Account paid in to your ISA will count towards the annual ISA subscription limit. You must already have an ISA open on the Hub to do this. You can choose whether to do this immediately and/or in advance for the start of the next tax year, subject to the amount being contributed in this way not exceeding the relevant year's annual ISA limit. Any advance instruction to do this for the next tax year may be based on this year's limit if next year's limit hasn't been announced yet or hasn't been updated on our system.

3.5 Amounts allocated to cash in your ISA will count towards your annual ISA limit, unless the payment is received from within your Stocks and Shares ISA.

### 4 Transfers in

4.1 By completing an ISA transfer in application, you can transfer all or part of an existing ISA from another Provider to SIM. If you're transferring an existing stocks and shares ISA, an innovative finance ISA or Lifetime ISA that contains a stocks and shares element, to us, we'll normally ask your existing ISA provider to sell any existing investments and transfer the proceeds to us. Transfers in from another ISA will be allocated as cash in your ISA. You can then decide where to invest this money. Alternatively, you can ask us whether any existing investments in an ISA you hold with the other provider can be transferred into your ISA without first being sold, by re-registering them in the name of the Nominee. This will depend on whether the existing investments are available on the Hub. Please contact us on 0800 328 1328 if you want to find out about this. The transfer will depend on the other Provider agreeing.

### 5 Transfers out to another provider

5.1 You may at any time, transfer all or part of your ISA to another ISA Provider in accordance with the Regulations relating to transfers and we'll cash in relevant Account Investments before the transfer. We'll normally do this within 5 Working days of receiving the request from your new ISA Provider, however, you may request a date after this period if you like. Under the Regulations, we can take up to 30 days to do this. The transfer will depend on the other Provider agreeing.

5.2 We'll cash in relevant Account Investments before the transfer, except where you've requested that the transfer be by way of re-registration and we'll arrange for your Account Investments to be transferred out of your ISA without first being sold, by re-registering them in the name of the new Provider or nominee. The transfer will depend on the other Provider agreeing.

5.3 Except for any amounts we keep under paragraph 17 of the General Terms, we'll pay the proceeds or transfer your Account Investments to the other Provider on a date we, you and the other Provider agree.

### 6 Tax

6.1 You don't have to pay tax on the income and capital gains of Account Investments in an ISA, as long as we and you keep to the Regulations. This exemption may change in the future.

6.2 In the event of death the tax-efficient benefits of the ISA will continue until the estate is settled, the account is closed or 3 years has elapsed since the date of death, whichever is the earliest.

### 7 Taking your Account Investments out of the ISA

7.1 If your Account Investments are in Funds, you can ask us, at any time, to transfer the Account Investments out of the ISA to you. This may be affected by any money we keep under paragraph 17 of the General Terms. You'll no longer be exempt from tax on the Account Investments once we've transferred them to you. Under the Regulations, we can take up to 30 days to process your request to take money out of your ISA.

## 8 Death

- 8.1 In the event of death the tax-efficient benefits of the ISA will continue until the estate is settled, the account is closed or 3 years has elapsed since the date of death, whichever is the earliest. If you die, we'll deal with the Account Investments as instructed by your personal representatives. They must first prove they have authority to give us this instruction. They can ask us to cash in the Account Investments and pay the proceeds to them in cash, or they can ask us to transfer the Account Investments, out of the ISA, to them. We may have to keep some money under paragraph 17 of the General Terms.

## 9 ISA wrap

- 9.1 If you instruct us to perform an 'ISA wrap' this involves us selling Account Investments in a nominated Investment Account and then moving the proceeds to cash in your ISA. Once in your ISA, we use this money to buy back the same investments in the same proportions. Due to market movements you may receive more or less shares/units than you previously held in your Investment Account.
- 9.2 If the Account Investments that are sold in your Investment Account are sold at a higher price than you paid for them, you may have to pay Capital Gains Tax on the gain you have made.
- 9.3 Where the amount that you have chosen to ISA wrap means that over 85% of the value of an individual Fund would be sold, then we will sell all your shares/units in that Fund. Any surplus cash that is above the amount that you have chosen to ISA wrap will be held as cash in your Investment Account.

## Part B: Investment Account

### 1 Opening an Investment Account

- 1.1 In order to open an Investment Account, you must complete an Application and provide us with such information as we reasonably request to enable us to open the Investment Account and provide you with the service.
- 1.2 We reserve the right to reject any Application. We may not open your Investment Account until you've provided us with all information which we consider relevant to it.
- 1.3 To open and maintain an Investment Account you must:
- be a UK resident;
  - be at least 18 years of age.

Should you, at any time, fail to meet the criteria in this paragraph we won't accept subscriptions into and may close your Investment Account.

- 1.4 Your Investment Account will be in your sole name or may have one other person as a joint holder.
- 1.5 You may set up multiple Investment Accounts.

### 2 Appointment

- 2.1 We'll operate your Investment Account in accordance with these Terms and Conditions. You authorise us to undertake on your behalf, and as your agent, any functions we're required to perform for this purpose. You appoint us as your custodian to hold the Account Investments in your Investment Account on your behalf.

### 3 Paying into your Investment Account

- 3.1 Your payments must not be less than any minimums stated in the Santander Investment Hub – Key Features Document. In addition, the remaining balance must stay above the amount stated in the Santander Investment Hub – Key Features Document.
- 3.2 The Santander Investment Hub – Key Features Document explains how you can pay into an Investment Account.

### 4 Tax

- 4.1 If you invest in an Investment Account, depending on your personal circumstances, you may have to pay Income Tax or Capital Gains Tax on some or all of any income or gains you receive.
- 4.2 Capital Gains Tax may arise on gains when you cash in all or part of your investment, or if you switch between Funds.
- 4.3 Income Tax may be payable on any interest or interest distributions received. Please refer to the Santander Investment Hub – Key Features Document for further information.

### 5 Re-registration

- 5.1 You may also transfer investments you hold elsewhere into your Investment Account. You can ask us whether the existing investments you hold with another provider can be transferred into your Investment Account without first being sold, by re-registering them in the name of our Nominee. This will depend on whether the existing investments are available on the Hub. Please call us on 0800 328 1328 if you want to find out about this.
- 5.2 It'll normally take us up to 5 days from the date we receive your transfer request to complete the transfer of your investment. However, the time period for completing

this may depend on your previous Provider and the time it takes them to send across investments to us.

- 5.3 Where you ask us to do so, we can arrange for Account Investments to be transferred out of your Investment Account and re-registered into your name or into the name of another Provider or nominee. We can only do this if the new Provider agrees.
- 5.4 If we subsequently receive any income in respect of Account Investments that are no longer held within your Investment Account and you remain entitled to that income, we'll pay that income out to you.

## Schedule 4: Model Portfolio Service

This Schedule is divided into two parts:

- Part A – Model Portfolio Service
- Part B – Transitional Terms for Premium Investments customers in the Model Portfolio Service

### Part A: Model Portfolio Service

#### 1 Definitions

In this Schedule:

##### Adviser

Your allocated Santander UK adviser who provides you with Financial Planning Services and who can change from time to time. Amongst other obligations, Santander UK advisers will assess which Model Portfolio or Model Portfolios are suitable for you as part of the Financial Planning Services provided to you.

##### Advisory Service Fee

The charges for the initial advice provided by Santander UK in its Financial Planning Services. You pay the Advisory Service Fee directly to Santander UK. Your Santander UK Adviser will provide you with details of this fee.

##### Charges

These are the charges payable in connection with this Service and Your Portfolio which include:

- the Advisory Service Fee;
- the Platform Service Fee;
- the Model Portfolio Service Fee;
- the Ongoing Adviser Services Fee; and
- the Ongoing Charge Figure.

For further information on these charges, please refer to paragraph 11.

##### Financial Planning Service

The services your Adviser provides to you. The ongoing advisory services are provided as part of this Financial Planning Service. These services are governed by separate terms and conditions and other disclosure documentation provided by Santander UK.

##### Key Features Document

The Santander Investment Hub – Key Features Document (including Fees, Charges & Interest rates and Best Execution Policy) which sets out additional information in relation to this Service.

##### Model Portfolio

An allocation of reference investments and cash decided on and constructed at a model level by the Model Portfolio Manager in order to achieve an investment strategy, to reflect a certain risk profile, time horizon and cost parameters as set out in the Model Portfolio Management Agreement agreed between Santander UK and the Model Portfolio Manager and reflected in the Model Portfolio Factsheets. For example, a Model Portfolio may be created that is suitable for a target market with a medium attitude to risk and will, therefore, reference investments and, potentially, cash in relevant proportions that suit a medium attitude to risk.

##### Model Portfolio Management Agreement

The agreement between Santander UK and the Model Portfolio Manager to provide discretionary model portfolio management services on the Model Portfolios in compliance with all applicable law and regulations. The Model Portfolio Manager is responsible for the construction of the Model Portfolios and determination of the Rebalancing Rules, in accordance with the investment strategies as set out in the Model Portfolio Management Agreement agreed between Santander UK and the Model Portfolio Manager.

##### Model Portfolio Manager

A firm authorised and regulated to manage investments by the FCA and, for the

Model Portfolio Service, appointed to provide model portfolio management services such as asset allocation, the selection of underlying investments and determining the Rebalancing Rules. For this Service, the sole model portfolio manager is Santander Asset Management UK Limited who has been appointed by your agent, Santander UK, to manage the Model Portfolios in accordance with the investment strategies as set out in the Model Portfolio Management Agreement agreed between Santander UK and the Model Portfolio Manager. The Model Portfolio Manager selects assets and manages the Model Portfolio(s) for the benefit of Santander UK (acting as your agent). The Model Portfolio Manager does not select the assets or manage Your Portfolio specifically for you.

#### Model Portfolio Service or the Service

The service of providing Model Portfolios so your Adviser can advise you which Model Portfolio Your Portfolio should reference. This service has been arranged and created by Santander UK and the Model Portfolio Manager working together. The Model Portfolios are discretionarily managed by the Model Portfolio Manager only.

#### Model Portfolio Service Fee or MPS Fee

This fee is charged by the Model Portfolio Manager to Santander UK (as your agent) for managing the Model Portfolios, including researching investment markets and using their expertise to select what reference investments comprise the different Model Portfolios on a discretionary basis. We facilitate your payment of this fee to Santander UK (as your agent) for onward payment to the Model Portfolio Manager.

#### Ongoing Adviser Services Fee

The charges for the ongoing adviser services, provided by Santander UK in its Financial Planning Services which covers the cost of services such as query handling, checking the suitability of Your Portfolio and recommending and arranging changes to which Model Portfolio(s) Your Portfolio references. We facilitate the payment of this fee on your behalf to Santander UK.

#### Ongoing Charge Figure

The Ongoing Charge Figure is an industry standard measure of the management and operational charges in connection with each investment within Your Portfolio(s), which are charged by the providers of those investments.

#### Platform Service Fee

Our fee for hosting, operating and servicing Your Portfolio on the Hub. This covers activities including administration, customer services, safe custody, online services and reporting.

#### Portfolio Cash

Cash within Your Portfolio as part of the investment strategy for the Model Portfolio. This money is classified as client money. Please refer to paragraph 12 of the General Terms for detail of the client money arrangements.

#### Rebalancing

This is the process by which Your Portfolio is adjusted back to reference the asset allocation of the relevant Model Portfolio because Your Portfolio has become misaligned from it to the extent that the Rebalancing Rules are triggered. There are two possible causes of this misalignment:

**firstly** if the Model Portfolio Manager has used their discretion to change the reference assets and/or allocation in the Model Portfolio that Your Portfolio references;

**secondly** if the value of Your Portfolio Assets drift from the composition of the reference allocation of the relevant Model Portfolio (because price fluctuations in the value of Your Portfolio Assets alter the proportion that each of Your Portfolio Assets represent within Your Portfolio).

This process may also occur for Your Portfolio if the Model Portfolio Manager determines in its discretion that a manual Rebalancing should occur.

All Rebalancing activity involves the purchase and/or sale of Your Portfolio Assets, which can have tax implications as explained in paragraph 13.4.

#### Rebalancing Rules

These are the rules that determine when Your Portfolio needs to be automatically Rebalanced if it has become misaligned from the relevant referenced Model Portfolio.

The Rebalancing Rules set out the extent to which the composition of Your Portfolio is permitted to misalign from the composition of the relevant Model Portfolio before it needs to be Rebalanced. For example, these rules might say that where a particular investment held in Your Portfolio is outside a set percentage of its proportion in comparison to the relevant Model Portfolio, Your Portfolio is rebalanced back to reference this Model Portfolio. When Rebalancing occurs, Your Portfolio as a whole will reference the relevant Model Portfolio, not only the part that was misaligned.

These rules are determined by the Model Portfolio Manager, in accordance with the terms of the Model Portfolio Management Agreement between Santander UK and the Model Portfolio Manager, and can be amended from time to time. Santander UK may provide input and/or be consulted on these rules. SIM monitors Your Portfolio for compliance with the Rebalancing Rules.

#### Santander UK

Santander UK plc – who provides the Financial Planning Services to you. Santander UK plc has arranged for this Service to be available and has created the Model Portfolios

working together with the Model Portfolio Manager. Santander UK plc has, as your agent, appointed the Model Portfolio Manager to manage the Model Portfolios.

#### Summary of Instructions and Declaration(s) Document

This is the document entitled "Summary of Instructions and Declaration(s)" where you confirm that you want the Model Portfolio Service and give your Adviser the authority to set up Your Portfolio on the Hub and provide authority to Santander UK, as your agent, to act on your behalf in relation to Your Portfolio as further described in these Terms and Conditions.

#### Your Portfolio

The portfolio as shown in your account on the Hub. Your Portfolio refers to a portfolio in a specific account on the Hub that references a specific Model Portfolio. You may have more than one of these if you have portfolios in more than one account, or if you have portfolios that reference different Model Portfolios. The mix of Your Portfolio Assets and Portfolio Cash held in Your Portfolio can differ from the Model Portfolio over time because of price fluctuations in the value of Your Portfolio Assets, which will alter the proportion that each of Your Portfolio Assets represents within Your Portfolio. Your Portfolio may be Rebalanced. Please see the definitions of Rebalancing and Rebalancing Rules for more information.

#### Your Portfolio Assets

These are the assets that can be held within Your Portfolio including Investments (as defined in the General Terms) as well as Exchange Traded Funds and Instruments, Structured Products, and other tradable investments. This may include Funds where the Model Portfolio Manager, or other companies within the Santander Group, are the fund manager. This definition excludes any client money held within Your Portfolio. Please refer to the definition of Portfolio Cash for more information.

#### We (and us)

This has the same definition as set out at paragraph 1 of the 'Important Information' section of the General Terms. In addition to the services that we perform noted there, in the context of this Service, our role also includes hosting, operating and servicing Your Portfolio on the Hub. This covers activities including administration, customer services, safe custody, online services and reporting.

## 2 This Schedule

- 2.1 This Schedule sets out the additional terms and conditions in connection with us hosting the Service and operating and servicing Your Portfolio(s) on the Hub.
- 2.2 As Your Portfolio(s) are available to view on the Hub and are held in an Investment Account and/or an ISA, all of the General Terms and those in Schedule 1 (Accessing the Hub), Schedule 2 (Investment Services) and Schedule 3 (Investment Products) apply unless they are altered by the terms in this Schedule.
- 2.3 This Schedule does not set out the terms and conditions that apply to the Financial Planning Services in connection with this Service. You will need to review and agree to be bound by the separate terms that apply to the Financial Planning Services which you can obtain from your Adviser. **Note: The Model Portfolio Service is not available to you if you do not agree to receive the Financial Planning Services from Santander UK. The reason for this is that your Adviser needs to assess whether the Service is suitable for you and whether Your Portfolio(s) continue to be suitable for you on an ongoing basis.**

## 3 The Service and responsibilities

- 3.1 This Model Portfolio Service is created and arranged by Santander UK and the Model Portfolio Manager. This means that your Adviser can provide you with Financial Planning Services and, where appropriate, can enable you to benefit from the skills of a model portfolio manager. Each Model Portfolio is created using a different investment strategy as set out in the Model Portfolio Management Agreement agreed between Santander UK and the Model Portfolio Manager.
- 3.2 There are a number of parties involved in providing this Service to you, namely:
  - o SIM
  - o Santander UK
  - o The Model Portfolio Manager
  - o The Nominee

#### SIM

- 3.3 SIM:
  - a) hosts the Service on the Hub;
  - b) sets up Your Portfolio within your ISA and/or Investment Account;
  - c) allows you and your Adviser to view Your Portfolio(s) on the Hub;
  - d) as broker, receives, handles, creates and executes orders in accordance with instructions set by the Model Portfolio Manager to ensure that Your Portfolio(s) align with the Model Portfolio that it references. This role includes monitoring Your Portfolio to determine when to Rebalance Your Portfolio(s) based on the Rebalancing Rules set by the Model Portfolio Manager;
  - e) facilitates the payment of certain fees in connection with this Service;
  - f) administers Your Portfolio, including for example the provision of statements, reports and other regulatory notifications;

- g) provides custody of Your Portfolio Assets and holds your Portfolio Cash as client money; and
- h) is the ISA Manager for any investments you hold in the Stocks and Shares ISA.

For the avoidance of doubt, SIM does not provide you with discretionary 'portfolio management' services and does not exercise any discretion over the assets that may form part of the Model Portfolio that Your Portfolio will reference on the Hub. SIM will only provide you with the services set out in this paragraph 3.3, as may be amended, from time to time.

#### Santander UK and its Advisers

##### 3.4 Santander UK:

- a) has jointly developed the Model Portfolios with the Model Portfolio Manager by agreeing the overall objectives of each of the Model Portfolios and their risk, cost and time horizon parameters in the Model Portfolio Management Agreement. Whilst, Santander UK is not involved in the day-to-day discretionary management of the Model Portfolios in any way, it may provide input and/or be consulted on the Rebalancing Rules, which are set by the Model Portfolio Manager in accordance with the parameters in the Model Portfolio Management Agreement;
- b) acts as your agent to appoint the Model Portfolio Manager to manage the Model Portfolio(s) which Your Portfolio(s) reference. Following this appointment, the Model Portfolio Manager will provide us with instructions for each Model Portfolio and its related Rebalancing Rules. We will create and execute orders for Your Portfolio in accordance with the instructions for the Model Portfolio and its related Rebalancing Rules that Your Portfolio references, and give directions in relation to Corporate Actions. See paragraph 3.8 for information on what 'acting as agent' means;
- c) provides ongoing advisory services to you as part of the Financial Planning Services to ensure that the Service is appropriate for you and that the Model Portfolio(s) that Your Portfolio(s) reference are suitable for you; and
- d) acts as your agent to give us instructions in relation to Your Portfolio. For example, your Adviser will instruct us which Model Portfolio Your Portfolio should reference. They will also instruct us if the Model Portfolio which Your Portfolio references should be changed to a different Model Portfolio and whether you wish to hold Your Portfolio in an ISA and/or an Investment Account.

For the avoidance of doubt, Santander UK will not provide you with 'portfolio management' services and does not exercise any discretion over the assets that may form part of Your Portfolio on the Hub. Santander UK will only provide you with the services set out above in paragraph 3.4, as may be amended, from time to time.

##### 3.5 By signing the Summary of Instructions and Declaration(s) Document:

- a) you appoint Santander UK as your agent in relation to Your Portfolio – this means they can give instructions to us on your behalf amongst other items; and
- b) you acknowledge that Your Portfolio(s) will reference Model Portfolio(s) which are discretionarily managed by the Model Portfolio Manager and appoint Santander UK as your agent to select and appoint the Model Portfolio Manager and instruct the Model Portfolio Manager to use us as their broker.

##### 3.6 As part of the initial Financial Planning Service, you will be advised whether the Service is appropriate for you and which Model Portfolio(s) are suitable for you based on your investment needs, objectives, investments time horizon and attitude to risk. It is your Adviser's responsibility to ensure that any Model Portfolio that is selected for Your Portfolio to reference is suitable for you. As part of the ongoing Financial Planning Services, your Adviser will seek to periodically (i.e. at least annually) assess whether the Model Portfolio(s) that Your Portfolio(s) references remain suitable for you or whether it needs to reference another Model Portfolio.

#### The Model Portfolio Manager

##### 3.7 The Model Portfolio Manager is appointed by Santander UK (acting as your agent) to manage the Model Portfolios on a discretionary basis. This means that the Model Portfolio Manager has the discretion to choose the mix of reference investments and cash and percentage allocation of assets for a Model Portfolio provided they are within the investment objective, strategies and restrictions jointly set by Santander UK and the Model Portfolio Manager in the Model Portfolio Management Agreement. Although Your Portfolio on the Hub will show Your Portfolio Assets and Portfolio Cash held in Your Portfolio, the Model Portfolio Manager does not manage this specific collection of investments/cash for you and has no access to, or visibility of, Your Portfolio.

#### Acting as agent

##### 3.8 It is important to note that you are not the client of the Model Portfolio Manager and you do not have any direct contractual relationship with them. In accordance with FCA rules, the Model Portfolio Manager treats Santander UK (acting as your agent) as its client, not you. What this means in practice is that the Model Portfolio Manager does not owe any regulatory duties to you directly, but to Santander UK. Notwithstanding that the Model Portfolio Manager treats Santander UK (as its client) differently from how it would treat you (as a retail client), the Model Portfolio Manager has agreed with Santander UK that it will ensure that each of the Model Portfolios are suitable for retail clients.

The Model Portfolio Manager will only provide any required regulatory reporting or notifications to Santander UK (as its client). Notwithstanding this, in order to ensure that you receive relevant information in relation to the Service, SIM will take responsibility for ensuring that you receive the reports and notifications that you would otherwise receive if Santander UK was not acting as your agent. Please note

that contract notes will not be sent to you for any instructions that SIM execute in relation to Your Portfolio(s).

- 3.9 The Model Portfolio Manager has sole responsibility for setting the Rebalancing Rules in accordance with the terms of the Model Portfolio Management Agreement between Santander UK and the Model Portfolio Manager. Santander UK may provide input and/or be consulted on these rules.
- 3.10 Santander UK (acting as your agent) gives the Model Portfolio Manager the authority to provide us with instructions for each Model Portfolio and its related Rebalancing Rules. We will create and execute orders for Your Portfolio(s) in accordance with the instructions for the Model Portfolio(s) and its related Rebalancing Rules that Your Portfolio(s) reference. Your Adviser will instruct us which Model Portfolio(s) Your Portfolio(s) should reference.
- 3.11 The Model Portfolio Manager is not responsible for the suitability of the Service for you, nor the suitability of Model Portfolio(s) for you. In addition, the Model Portfolio Manager can't change the Model Portfolio that Your Portfolio(s) reference from one Model Portfolio to another - only your Adviser can do this with your agreement.
- 3.12 We will provide the Model Portfolio Manager with certain aggregated information for reasons related to the ongoing management of the Model Portfolios including the aggregated value of all portfolios referencing a particular Model Portfolio, and other relevant information from time to time. We do not provide them with any of your personal data or any data, or information, specific to Your Portfolio on a disaggregated basis.

#### The Nominee

- 3.13 The Nominee plays the same role as set out in the General Terms.

#### Your responsibilities

##### 3.14 You have the following responsibilities:

- a) you must ensure that you are eligible and remain eligible at all times – see paragraph 4 for eligibility criteria;
- b) you must have a Santander UK Adviser. If you no longer wish to have a Santander UK Adviser, you must notify us. For further information on the impact of this for you and Your Portfolio, please refer to paragraphs 18 and 19;
- c) you must pay the Charges and comply with these Terms and Conditions;
- d) you must have an ongoing Financial Planning Service and engage with that service. This is required to ensure that Your Portfolio remains suitable for you. If you cancel the ongoing Financial Planning Service or you do not engage with that service, the Service may be withdrawn (please refer to paragraphs 17 and 18); and
- e) you must notify your Adviser promptly if your circumstances change. This may mean that what is suitable for you changes and therefore the Adviser may need to reassess the suitability of Your Portfolio.

## 4 Eligibility

##### 4.1 This Service is only available to you if you meet all of the following criteria:

- a) all of the eligibility criteria for the Hub set out in the 'Important Information' section of the General Terms;
- b) you have a Santander UK Adviser and have agreed to receive initial and ongoing Financial Planning Services in connection with this Service. **Note: You cannot have this Service if you do not receive initial and ongoing Financial Planning Services;**
- c) you meet any minimum investment amounts in order to have this Model Portfolio Service. Your Adviser will tell you of these and they are contained in the Key Features Document;
- d) you give us any information we reasonably require to operate Your Portfolio. For example, information to help us comply with anti-money laundering regulations and guidance;
- e) you are investing in Sterling; and
- f) Your Portfolio must not fall below the minimum operating balance. This is found in the Key Features Document.

##### 4.2 If at any time, you do not satisfy any of the criteria above, you must notify us immediately. We reserve the right to withdraw the Service. Please refer to paragraph 17.5 for more information.

## 5 Your Portfolio

- 5.1 Your Portfolio will be set up and you will be bound by the terms in this Schedule 4 when (i) we receive confirmation from your Adviser that you have agreed to act upon the advice and invest your money by reference to a Model Portfolio and (ii) we have received valid payment (as described in the General Terms).
- 5.2 We will act on instructions from your Adviser (acting as your agent) on which Model Portfolio(s) Your Portfolio(s) will reference and whether Your Portfolio(s) will be shown in your Investment Account or your ISA, or both.
- 5.3 You are the beneficial owner of Your Portfolio Assets as shown in Your Portfolio. Your Portfolio Assets are registered in the name of the Nominee as set out in the General Terms. Please note that we hold Portfolio Cash as client money. Please see the General Terms for terms on client money.
- 5.4 Unless you already have other accounts on the Hub, simultaneous with creating Your



Portfolio we will also open a Cash Only Account. See the General Terms for terms relating to the Cash Only Account.

#### Joint Accounts

- 5.5 You can hold Your Portfolio on a joint basis with one other individual provided that the Investment Account which shows Your Portfolio is also held on a joint basis. Your Portfolio cannot be held on a joint basis where you wish to hold it in an ISA. See paragraph 9 of the General Terms for more information.

#### 6 Your Portfolio Assets and Portfolio Cash

- 6.1 The range and mix of Your Portfolio Assets and/or Portfolio Cash in Your Portfolio will depend on the Model Portfolio that it references.
- 6.2 There are risks associated with investing and these largely depend on Your Portfolio Assets. For more detailed information please refer to the Factsheet(s) for the Model Portfolio(s). If there is anything that you do not understand or agree with, you should discuss this with your Adviser before investing.
- 6.3 The range of assets, investments and securities that could be used to create a Model Portfolio are determined by the decisions of the Model Portfolio Manager, in accordance with the investment strategies agreed with Santander UK in the Model Portfolio Management Agreement and the criteria we pre-set so that they can be held on the Hub. This means that you cannot request that Your Portfolio includes a particular asset, investment or security.
- 6.4 The fact that we show Your Portfolio Assets in Your Portfolio does not imply that we consider them to be suitable for your needs. It is your Adviser's responsibility to ensure that Your Portfolio is suitable for you.
- 6.5 You cannot transfer in assets held in a different/third party account, even if those assets are the same as those referenced in the Model Portfolio.

#### 7 Making payments in

- 7.1 When we are instructed by your Adviser to create Your Portfolio by reference to a Model Portfolio, or where you are investing more money into Your Portfolio, you must ensure there is sufficient cleared cash in your Cash Only Account. We are not liable for any loss you may suffer due to a delay in processing instructions where there is insufficient cleared cash in your Cash Only Account. Once cleared cash is available, we will act on the Adviser's instructions. See the General Terms for further information on how to make payments in.
- 7.2 You can invest more money into Your Portfolio(s) at any time subject to the annual ISA subscription limit if you are paying into Your Portfolio held within an ISA. You can do this via your Adviser who will discuss the options with you. You may be charged an Advisory Service Fee (which is separate from your Ongoing Adviser Services Fee), where you receive advice from your Adviser for a further investment into Your Portfolio(s). If you invest more money into Your Portfolio, we will purchase additional investments for Your Portfolio, so as to align Your Portfolio closer with the relevant Model Portfolio that it references. You cannot request that we purchase a specific investment for Your Portfolio(s).

#### 8 Taking money out

- 8.1 You can take money out of Your Portfolio(s) at any time by going through your Adviser, who can discuss the options with you. You can, subject to paragraph 8.2 below, take out a specific cash value, a percentage of Your Portfolio's value or by setting up a regular withdrawal. You will need to discuss the impact of this with your Adviser first.
- 8.2 Although you can take money out, to still be eligible for this Service you must keep the total combined value of Your Portfolio(s) at, or above, the minimum operating balance at all times as set out in the Key Features Document. In addition, where you are taking a partial withdrawal, you cannot take money out where this would result in more than 85% of Your Portfolio's value being taken. This restriction is there to prevent you from selling more of Your Portfolio Assets than are available in Your Portfolio if the price of Your Portfolio Assets drops between the time you give us an instruction and the time the instruction is processed.
- 8.3 Where your Adviser (acting as your agent) instructs us to take money out of Your Portfolio, we will sell Your Portfolio Assets or take out Portfolio Cash, so as to align Your Portfolio(s) closer with the relevant Model Portfolio that it references. You cannot request that we sell a specific investment from Your Portfolio(s). The amount you get may be affected by any money we keep under paragraph 11 of this Schedule.
- 8.4 We will normally process instructions within 5 Working days of receiving correct instructions but your Adviser (acting as your agent) can ask us to process the instruction at a later date if you like. Where Your Portfolio is shown in your ISA, under the Regulations, we can take up to 30 days to process your instruction. Any money removed from your ISA will lose its tax-efficient status. If you choose to repay the withdrawal into your ISA it will count towards your current tax year ISA allowance.
- 8.5 You can choose for the proceeds to remain in the ISA and/or Investment Account in which they sit, or you can allocate them to your Cash Only Account in the Hub; or have them paid out of the Hub to a nominated bank account of your choice.

Flexible features don't apply to withdrawals from the ISA. This means you can't replace any money withdrawn from your ISA in the same tax year without it counting towards your annual ISA limits.

#### 9 Your Adviser and instructions to us

- 9.1 Your Adviser acts as your agent for this Service and Your Portfolio(s) and acts as the main point of contact between you and us in relation to this Service and Your Portfolio. You appoint them as your agent in the Summary of Instructions and Declaration(s) Document to:
- give instructions to us to create Your Portfolio(s) by reference to particular Model Portfolio(s), to change the Model Portfolio that Your Portfolio(s) references to a different Model Portfolio when agreed and to invest more money into Your Portfolio or take money out and where to pay the proceeds;
  - access the Hub and view Your Portfolio to assess its suitability for you as part of the ongoing Financial Planning Service; and
  - provide information to us on your behalf, including changes in your personal details, for example a change of address.
- 9.2 If you wish to change your Santander UK Adviser to an adviser who is not part of Santander UK, see paragraph 19.
- 9.3 We are not responsible to you for any instructions that your Adviser gives to us without your authority; instead your Adviser is responsible to you.

#### 10 The Model Portfolio Manager

- 10.1 Santander UK, acting as your agent, has appointed the Model Portfolio Manager on your behalf to manage the Model Portfolios and, by signing the Summary of Instructions and Declaration(s) Document, you acknowledge their appointment to this role. As part of the Financial Planning Services, your Adviser is responsible for ensuring suitability of the Model Portfolio(s) for you and will explain the different investment strategies for the Model Portfolios, which the Model Portfolio Manager has been appointed to achieve.
- 10.2 Only Santander UK, as your agent, can appoint a different discretionary model portfolio manager in connection with the Service.
- 10.3 If you no longer wish to have the Model Portfolio Manager managing the Model Portfolio(s) which Your Portfolio references, this Service will terminate so that you hold Your Portfolio Assets directly on the Hub. See paragraph 17 for further information.
- 10.4 We are not responsible to you for any activities undertaken by the Model Portfolio Manager: they are responsible to Santander UK under the Model Portfolio Management Agreement.

#### 11 Fees and Charges

- 11.1 You agree to pay the Charges. Further detail on each ongoing Charge is set out below. Please note that the details of the initial Advisory Service Fee will be explained to you separately as part of the advice process. The actual value of each Charge is set out in the relevant documents listed below. All fees are inclusive of VAT where this is payable and this will be indicated in the relevant document listed below. All ongoing Charges are accrued daily but payable as set out below and/or in the Key Features Document. The Charges can be amended from time to time as set out in the General Terms.

##### Platform Service Fee

- 11.2 The terms relating to the Platform Service Fee are set out in paragraph 17 of the General Terms with the following changes:
- as we base the Platform Service Fee on the total value of your Investment Hub Account, this will include the value of Your Portfolio(s) (which includes Your Portfolio Assets and Portfolio Cash);
  - as we exclude any cash held in the Cash Only Account and cash in your ISA and/or Investment Account which is not held in Your Portfolio(s) from the calculation of the Platform Service Fee, if you no longer have this Service, Portfolio Cash will no longer be included in the total value of your Investment Hub Account for the purposes of calculating the Platform Service Fee as this will then be held as cash in your ISA and/or Investment Account;
  - notwithstanding paragraph 17 of the General Terms, where the variable Direct Debit isn't set up in time or where the variable Direct Debit has been set up but the Platform Service Fee has not been successfully collected, and there is insufficient cash in your Cash Only Account, we will collect the fee in the following order:
    - from cash in your Investment Account;
    - by selling Account Investments in your Investment Account;
    - by selling Your Portfolio Assets and using Portfolio Cash held in your Investment Account;
    - from cash in your ISA;
    - by selling Account Investments in your ISA; and
    - by selling Your Portfolio Assets and using Portfolio Cash held in your ISA.

When Your Portfolio Assets are sold or Portfolio Cash is deducted, this will be done in a way that ensures that Your Portfolio aligns closer with the relevant Model Portfolio that it references. This means that even if there is Portfolio Cash in Your Portfolio, we may not automatically take the Portfolio Cash (and not also Your Portfolio Assets) where this would result in Your Portfolio not continuing to align with the referenced Model Portfolio.

Note that if any investments are sold, or cash is removed from an ISA you'll lose the tax-efficient benefits associated with them and if repaid back into your ISA will count towards your current tax year ISA allowance.

#### MPS Fee

- 11.3 The MPS Fee is charged by the Model Portfolio Manager to Santander UK (as your agent) for the costs incurred in managing the Model Portfolio(s) which Your Portfolio(s) reference. The MPS Fee is calculated based on the overall value of Your Portfolio(s), including any Portfolio Cash. As Santander UK is acting as your agent, it collects the fee from you to pay it to the Model Portfolio Manager. We facilitate the payment of this fee by you to Santander UK who can then (as your agent) pay it to the Model Portfolio Manager. The fee collection process is the same as described for the Platform Service Fee in paragraph 11.2. The fee is payable monthly. The amount of this fee is set out in the Key Features Document. The fee includes VAT, where VAT is payable.

#### Ongoing Adviser Services Fees

- 11.4 The Ongoing Adviser Services Fees are charged by Santander UK for the ongoing services provided by your Adviser including advice you receive as part of your Financial Planning Services. This includes (i) checking the suitability of Your Portfolio(s), (ii) recommending changes to the Model Portfolio(s) which Your Portfolio(s) reference, and (iii) arranging for those changes to be made to Your Portfolio(s) to ensure it remains suitable for you. The fee is calculated based on the overall value of Your Portfolio(s), including any Portfolio Cash. We facilitate your payment of this fee to Santander UK by applying the same fee collection process as described for the Platform Service Fee in paragraph 11.2. The fee is payable monthly. The indicative value (including any minimums and maximums) is set out in separate documentation provided by Santander UK and confirmed in the Summary of Costs and Charges section in the Suitability Report that your Adviser will provide to you. The fee includes VAT, where VAT is payable.

#### Ongoing Charge Figures from the manufacturers of Your Portfolio Assets

- 11.5 Charges apply in respect of the underlying investments in Your Portfolio Assets which include annual management charges in relation to Funds and other fees and charges that are incurred in the operation of the Funds. The overall level of these charges are set out in the Factsheet(s) for the Model Portfolio(s) which Your Portfolio references and explained in the Key Features Document. The value of Your Portfolio Assets reflects these charges. We do not receive any payments (or rebates) in respect of these underlying investments in Your Portfolio Assets.

#### 12 Interest on your Portfolio Cash

- 12.1 All Portfolio Cash is held as client money. As such, you will receive interest on Portfolio Cash at the rate set out in the Key Features Document. The Model Portfolio Manager will not take into account this interest when exercising its discretion in relation to the Model Portfolios.
- 12.2 For terms relating to interest on your Portfolio Cash, see paragraph 5 (Interest) of the General Terms.

#### 13 Changing the reference Model Portfolio, monitoring Your Portfolio and Rebalancing

- 13.1 As part of your ongoing Financial Planning Service, you may be advised that the Model Portfolio(s) that Your Portfolio(s) is referencing is no longer suitable for you and that a different Model Portfolio is suitable for Your Portfolio(s) to reference. If you agree with this advice, your Adviser will instruct us to make the change. You cannot give us instructions to do this without advice from your Adviser. If you don't agree with this change this may mean that the Model Portfolio(s) that Your Portfolio(s) reference are no longer suitable for you – see paragraph 18 for the consequences of this.
- 13.2 As the broker for the Model Portfolio Manager, we monitor Your Portfolio to determine whether the Rebalancing Rules are triggered for Your Portfolio, or whether we have received instructions from the Model Portfolio Manager that a manual Rebalance of Your Portfolio(s) should occur.
- 13.3 If we receive instructions from your Adviser, acting as your agent, to change the Model Portfolio(s) that Your Portfolio(s) reference to a different Model Portfolio, or if there is a Rebalancing triggered for Your Portfolio, we will create and execute orders to buy and/or sell investments to ensure that Your Portfolio continues to be aligned with the relevant Model Portfolio that Your Portfolio references.
- 13.4 Where we create and execute orders to sell some of Your Portfolio Assets in order to buy others in order for Your Portfolio to continue to be aligned with the relevant Model Portfolio that it references, we will use the proceeds from the selling transaction to buy other assets for Your Portfolio. This process can have the following consequences:
- you may incur a tax liability on the sale of the investments;
  - your investment value may be lower following any transfer as a result of the difference in the price that we receive for selling your investments and the price we have to pay to buy the required investments – this is known as the bid-offer spread;
  - the money involved in these transactions won't be invested in assets on the financial market for as long as this process takes. This means that the market may have moved by the time we use the cash proceeds to buy the investments required.

Your Adviser will consider all of the above when providing their initial advice to you on whether the Model Portfolio Service is suitable for you. Please note that the Model Portfolio Manager will not consider items a) to c) above when setting the Rebalancing Rules for the Model Portfolio that Your Portfolio references.

#### 14 Custody of Your Portfolio Assets

- 14.1 We hold Your Portfolio Assets shown in Your Portfolio as your custodian in compliance with CASS and they are registered in the name of the Nominee. For terms relating to the Nominee and the custody of Your Portfolio Assets, see the General Terms.

#### 15 Financial Services Compensation Scheme

- 15.1 The same FSCS coverage as set out in the General Terms applies.

#### 16 Executing instructions

- 16.1 We execute all orders as part of the Service in accordance with our Best Execution Policy. See paragraph 9 of Schedule 2.
- 16.2 Depending on the timing of confirmation receipts, there is the possibility that the investments bought or sold for Your Portfolio may not receive the same execution price for the resulting purchases as other customers of the Santander Investment Hub outside of this Service receive.

#### 17 Ending the Service

##### Cancellation

- 17.1 You are able to cancel your investment in accordance with paragraph 14 of the General Terms.
- 17.2 On receipt of instructions from your Adviser to cancel, we will sell all of Your Portfolio Assets. Once cleared, we will add the Portfolio Cash to the amount of the proceeds and return it to you. The amount you get back will reflect any increase or decrease in the value of your investment during that period and any ongoing fees incurred. Cancellation rights don't apply to any transactions that have occurred due to Rebalancing or from changing the Model Portfolio that Your Portfolio references.

##### You terminating the Service

- 17.3 If you no longer wish to have Your Portfolio referencing a Model Portfolio, you can terminate the Service at any time by contacting your Adviser. If you choose to exercise this right, the following happens:
- we will remove Your Portfolio Assets and Portfolio Cash from being shown in Your Portfolio and instead show them as investments and cash in your Investment Account and/or your ISA as applicable.
  - the name of Your Portfolio will no longer be seen when you log into the Hub;
  - Your Portfolio will no longer be identified separately in your Hub statements;
  - your Adviser will cease the ongoing Financial Planning Services. The Adviser Charges will cease and we will facilitate the payment on your behalf of the last Ongoing Adviser Services Fee up until the date the Service is terminated to your Adviser;
  - we will no longer monitor, as broker for the Model Portfolio Manager, Your Portfolio's compliance with the Rebalancing Rules;
  - we will calculate the MPS Fee until the date the Service is terminated and we will facilitate your payment of this fee from Your Portfolio to Santander UK (as your agent) for onward payment to the Model Portfolio Manager (in accordance with paragraph 11.3 above).
- 17.4 The investments will be held in your ISA and/or your Investment Account, and will no longer be subject to the terms in this Schedule 4. Please refer to the General Terms and Schedules 1, 2 and 3 for the terms and related fees that will apply. In addition:
- we are not required to assess the appropriateness of those assets for you;
  - your Adviser is not liable for the suitability of those assets for you;
  - the assets will be held in the Hub Account (and outside the Service), and you take sole responsibility for the suitability of holding these assets and any decisions in relation to selling, holding or buying more of those assets will be on an execution only basis;
  - where any of these assets that are now held outside the Service are not categorised as 'non-complex' (this has a particular regulatory meaning and we, SIM, will determine whether the investments are non-complex or not) (**Complex Investments**), you will not be able to make additional investments into those Complex Investments without undergoing an appropriateness assessment. This means that, without an appropriateness assessment, you can **hold** Complex Investments on the Hub but you will only be able to give us instructions to **sell** these Complex Investments. Instructions to buy more of these Complex Investments will not be permitted. **We, SIM, are not liable to you in any way for the appropriateness of these Complex Investments held on the Hub before you sell them.** We, SIM, are also not responsible for any investment loss from any Complex Investments. In exceptional circumstances, we may require you to remove your holdings in a Complex Investment from the Hub by selling your investments or re-registering those investments into your own name or into the name of another nominee; and
  - separately, some of these assets that are now held outside the Service have eligibility criteria which is specific to the asset. Where you are not eligible, we may restrict these investments and you may only be able to give us instructions to sell your investments in any such assets, or in exceptional circumstances, we may require you to remove your holdings in an investment from the Hub by selling your

investments or re-registering those investments into your own name or into the name of another nominee.

**When we may close Your Portfolio and/or end the Service**

- 17.5 We can close Your Portfolio and/or end the Service in the circumstances set out in paragraph 15 of the General Terms and in the following circumstances:
- a) where you are no longer eligible – see paragraph 4 of this Schedule 4 for the eligibility criteria;
  - b) where we are instructed by your Adviser that you have terminated the ongoing Financial Planning Services with them or you are not engaging with them in the ongoing Financial Planning Services such that they cannot provide the services to you;
  - c) where the value of Your Portfolio is not at or above the minimum operating balance;
  - d) where we take a commercial decision (acting reasonably) not to offer the Service anymore.

When this occurs, we will give you advance notice and will follow the steps in paragraph 17.3 a) to f) above.

- 17.6 Where Santander UK or the Model Portfolio Manager takes a commercial decision (acting reasonably) not to offer a particular Model Portfolio or the Service anymore, we will notify your Adviser. Your Adviser will get in touch with you in accordance with paragraph 13 (Changing the reference Model Portfolio, monitoring Your Portfolio and Rebalancing) above to discuss which other Model Portfolios may be suitable for Your Portfolio to reference. If you do not wish to switch Your Portfolio to reference a different Model Portfolio, we will follow the steps in paragraph 17.3 a) to f) above.

**18 Ceasing Financial Planning Services**

- 18.1 The Model Portfolio Service is offered exclusively to customers who use the ongoing advisory services as part of the Financial Planning Services of Santander UK. You are able to stop paying for, and using, the ongoing advisory services but, if you do so, the Model Portfolio Service will also stop. This is because the suitability of Your Portfolio for you needs to be assessed and Santander UK has this obligation. If you wish to cease the ongoing advisory services in the Financial Planning Services, this Service will terminate so that you hold Your Portfolio Assets directly on the Hub. See paragraph 17 above for further information.

**19 Changing Adviser**

- 19.1 The Model Portfolio Service is offered exclusively to customers who use the ongoing advisory services of Santander UK. As such, you cannot appoint an adviser who is not a Santander UK Adviser whilst retaining the Model Portfolio Service.
- 19.2 You can change to an adviser who is not a Santander UK Adviser, but this Service will terminate so that you hold Your Portfolio Investments on the Hub, but not in Your Portfolio. See paragraph 17 above for further information. You may also, if you wish, re-register the investments to another platform, if they accept them. Please refer to Schedule 3 Part B paragraph 5.

**20 Statements, reports and contract notes**

- 20.1 The value of Your Portfolio Assets and Portfolio Cash will be shown in your periodic statements, which we'll provide you with four times a year – see the General Terms for the detail on your statements. In addition, you can access the Hub at any time to view the value of Your Portfolio.
- 20.2 We will provide you with notifications in relation to Your Portfolio so that you and your Adviser can see where there has been a drop in the value of Your Portfolio.
- 20.3 Confirmation of all instructions that we execute in our role as broker for this Service will be provided to the Model Portfolio Manager. Contract notes will not be sent to you for any instructions that we execute in relation to Your Portfolio(s).

**21 Corporate Actions**

- 21.1 From time to time, some of Your Portfolio Assets may have Corporate Actions that occur in relation to them. Our Nominee passes those Corporate Actions to the Model Portfolio Manager who may take action themselves or may provide guidance on what action the Nominee should take (if any).
- 21.2 If a Corporate Action:
- a) results in a change to Your Portfolio that triggers the Rebalancing Rules, we will Rebalance;
  - b) creates, as a result of the Corporate Action, an investment in Your Portfolio Assets that is not eligible to be held on the Hub, we reserve the right to sell this investment and Rebalance Your Portfolio.
- 21.3 We will not forward company reports which detail the performance and other information relating to Your Portfolio Assets to Santander UK or the Model Portfolio Manager.
- 21.4 We will not contact you or your Adviser regarding shareholders' or unit holders' meetings or to vote.

**22 Dividends and other distributions**

- 22.1 Income generated by Your Portfolio Assets will be collected by us and kept as Portfolio Cash pending Rebalancing.

**23 Tax**

- 23.1 We do not provide you with any legal, investment or tax advice. Please ask your Adviser or other suitably qualified professional for advice specific to your individual circumstances.
- 23.2 You are wholly responsible for managing your tax commitments and paying any additional liabilities. Levels of taxation and tax relief are subject to change.

**24 Death**

- 24.1 The General Terms apply save that, subject to paragraph 24.2, upon notification of death from your Adviser or legal representative(s):
- a) we will freeze Your Portfolio. This means that:
    - (i) we will not accept instructions in relation to Your Portfolio from your Adviser or legal representative(s) including instructions to withdraw or invest more money;
    - (ii) Your Portfolio will continue to be exposed to movements in the market and may fall in value as well as rise; and
    - (iii) any regular instructions that your Adviser had given us prior to your death will cease;
  - b) the Platform Service Fee will stop accruing from that date;
  - c) the ongoing Financial Planning Services will cease. The Ongoing Adviser Services Fee will stop accruing from that date. We will facilitate this final payment to your Adviser;
  - d) The MPS Fee will stop accruing from that date. We will facilitate this final payment to Santander UK (your agent) for onward payment to the Model Portfolio Manager (in accordance with paragraph 11.3 above);
  - e) Your Portfolio Assets will be held in the same way as other investments on the Hub which are not within this Service, and we will not monitor these assets for compliance with the Rebalancing Rules. This avoids ongoing tax events occurring;
  - f) we will remove the Portfolio Cash from being shown in Your Portfolio and instead it will be added to the cash in your ISA and/or cash in your Investment Account, depending on where Your Portfolio was originally shown.
- 24.2 Where you hold a Joint Account, following the death of one of the individuals holding that Joint Account, the other individual will need to seek updated advice from your Adviser. If we have not received a notification from your Adviser that you have received this updated advice before your next statement we reserve the right to terminate the Service – see paragraph 17 for the consequences of this.

**25 Best Execution**

- 25.1 All orders in connection with Your Portfolio(s) are handled in accordance with our Best Execution Policy, as referred to in Schedule 2, paragraph 9 of the General Terms.
- 25.2 Please see paragraph 26.3 for further information on the contractual obligations that we may owe to you in relation to our role as broker for this Service.

**26 Liability**

- 26.1 Paragraph 20 of the General Terms sets out our liability in relation to the Hub and its accounts. In addition, as noted elsewhere in this Schedule 4, we are not liable for:
- a) any loss you may suffer due to a delay in processing instructions where there is insufficient cleared cash in your Cash Only Account – see paragraph 7;
  - b) the appropriateness of any investments, once the Service ends, held outside of Your Portfolio which are Complex Investments and any investment loss in relation to those Complex Investments – see paragraph 17.4;
  - c) the manufacturing of the Service – that is the joint responsibility of Santander UK and the Model Portfolio Manager;
  - d) any activities undertaken by Santander UK (including any financial advice provided, the suitability of the Model Portfolio(s) chosen for Your Portfolios to reference and their ongoing suitability for you, or the selection of the Model Portfolio Manager). Further information on Santander UK's liability for these activities is set out in the separate terms and conditions and other disclosure documentation provided by Santander UK for these advisory activities;
  - e) any instructions that your Adviser gives to us without your authority – instead your Adviser is responsible to you;
  - f) any activities undertaken by the Model Portfolio Manager (including setting the Rebalancing Rules, the model portfolio management services and the discretion exercised as part of the portfolio management services and the choice of the underlying investments selected as reference assets) – the Model Portfolio Manager is responsible to Santander UK only, as your agent;
  - g) any decisions you make to buy, sell or hold the assets when outside the Service (e.g. because you have terminated the Service, or we have); and
  - h) anything in relation to your tax situation.
- 26.2 Save as set out below, we are not liable to you for any losses arising out of, or in connection with, our role as broker, except where the loss is caused by our default or negligence.

26.3 Where we have failed to comply with the terms entered into with the Model Portfolio Manager in relation to our role as their broker, we will be liable to you to make good any loss that you may suffer. This will occur when, for example, trades in relation to Your Portfolio failed or were incorrect, an error otherwise occurred in relation to Your Portfolio, or our monitoring of Your Portfolio failed such that the Rebalancing Rules were not triggered where required. You may bring a claim against us for such losses either under these terms or as a third party under the terms set out in the agreement entered into between us and the Model Portfolio Manager in relation to our role as broker.

## 27 Making a complaint

27.1 If for any reason you're unhappy with the Model Portfolio Service (either as a result of actions or omissions attributable to us, your Adviser or the Model Portfolio Manager), then please either contact your Adviser or follow our complaints procedure as set out in paragraph 26 of the General Terms.

## 28 Contacting us

28.1 If you have any queries relating to this Service or Your Portfolio, you should first contact your Adviser. If you wish to contact us about the Hub, see the General Terms for our contact details.

## Part B: Transitional Terms for Premium Investments customers in the Model Portfolio Service

### Terms that apply

If Your Portfolio(s) **only** reference Premium Investments Model Portfolio(s), the terms that apply to you are:

- o General Terms;
- o Schedules 1 to 3;
- o Part A of this Schedule 4 (this is because you are receiving the Model Portfolio Service in relation to your Premium Investments) but amended as set out in this Part B; and
- o this Part B.

The above apply to you **from** the point that any of Your Portfolio(s) that reference Premium Investments Model Portfolio(s) are moved onto the Hub and **until the earlier of** (1) when you choose to keep your investments but not within the Model Portfolio Service, (2) when you choose to sell your Premium Investments or (3) when we notify you that these terms no longer apply (e.g. because the transitional period has ended).

If any of Your Portfolio(s) reference other Model Portfolio(s) that are not Premium Investments Model Portfolio(s), then Schedule 4 Part A (and not this Part B) applies to you. This is explained further in the table below:

Model Portfolio(s) that Your Portfolio(s) reference	Applicable Terms	
Premium Investments Model Portfolio(s) <b>only</b> and no other Model Portfolios	<ul style="list-style-type: none"> <li>o Schedule 4 Part B; and</li> <li>o Schedule 4 Part A (unless overridden by Part B)</li> </ul>	Plus: <ul style="list-style-type: none"> <li>o General Terms</li> </ul>
Premium Investments Model Portfolio(s) and other Model Portfolios	Schedule 4 Part A	<ul style="list-style-type: none"> <li>o Schedule 1</li> <li>o Schedule 2</li> </ul>
Model Portfolio(s) other than Premium Investments Model Portfolio(s)	Schedule 4 Part A	<ul style="list-style-type: none"> <li>o Schedule 3</li> </ul>

In addition, you will need to review and agree to be bound by the separate terms that apply to the Financial Planning Services that you can obtain from your Adviser. **Note: The Model Portfolio Service is not available to you if you do not agree to receive the Financial Planning Services from Santander UK. The reason for this is that your Adviser needs to assess whether the Service is suitable for you and whether Your Portfolio(s) continue to be suitable for you on an ongoing basis.**

**Clarification of Definitions:** All relevant terms in this Part B are defined in Schedule 4 Part A however some definitions need to be read in a different way when they are used in this Part B.

- o **Model Portfolio** is defined in Part A. When used in this Part B, it only relates to Model Portfolio(s) that are Premium Investments Model Portfolios.
- o **Your Portfolio** is defined in Part A. When used in this Part B, it only relates to where your portfolio references a Premium Investments Model Portfolio.
- o **Your Portfolio Assets** is defined in Part A. For Premium Investments Model Portfolio(s), as well as the Portfolio Assets listed in Part A, some or all of the Funds are provided and managed by the Model Portfolio Manager or managed by other asset managers employed by the Model Portfolio Manager.

- o Any references to 'you' in this Part B means a customer whose portfolio(s) reference Premium Investments Model Portfolio(s) on the Hub and has not been notified by Santander UK that these transitional terms do not apply. If you act as trustee for another person, you are responsible to us to ensure you have the authority of the trust to do so. Where 'you' are a trustee, you agree to notify us of any changes in your authority. If required by us, you will obtain the agreement of any person taking over your authority to be bound by these terms.

**Altered terms:** Some of the terms in Schedule 4 Part A, the General Terms and Schedules 1 to 3 apply in a different way where Your Portfolio(s) reference Premium Investments Model Portfolio(s). Below we have explained which terms apply in a different way.

### The Service and responsibilities

- (a) Paragraphs 3.3, 3.4, 3.5 and 3.6 of Schedule 4 Part A sets out the roles that SIM and Santander UK play in the Model Portfolio Service. SIM also plays an additional role for you, namely facilitating the move of Your Portfolio(s) that reference Premium Investments Model Portfolio(s) onto the Hub.

In addition, Santander UK also plays an additional role namely providing advice as to the continued suitability of Your Portfolio(s) (which includes those that reference Premium Investments Model Portfolio(s)) in connection with the move onto the Hub and the associated Model Portfolio Service based on the information you have provided to Santander UK.

### Eligibility

- (b) The General Terms state that you must ensure that you meet the eligibility criteria for this Service at all times and paragraph 4 of Schedule 4 Part A sets out the eligibility criteria that you must meet at all times. Clause (c) and (f) of paragraph 4 require you to meet a minimum investment amount and to hold a minimum operating balance. During the transitional period, these requirements are temporarily waived for you meaning that you can have an investment amount below the minimum operating balance and do not have to meet any minimum investment amounts until we notify you otherwise. Note that the other eligibility criteria do apply.
- (c) In addition, paragraph 4.2 of Schedule 4 Part A requires you to notify us if you do not meet the eligibility criteria. As we have temporarily waived the minimum investment amount and minimum operating balance requirements, you do not need to notify us if you do not meet them.

### Your Portfolio

- (d) Paragraph 5.1 of Schedule 4 Part A sets out when Your Portfolio will be set up. As Your Portfolio is already established, paragraph 5.1 does not apply to you. Instead, Your Portfolio has been moved onto the Hub.
- (e) Paragraph 5.2 of Schedule 4 Part A refers to instructions we may receive from your Adviser concerning which Model Portfolio(s) Your Portfolio(s) should reference and which account type Your Portfolio(s) will be held in. For clarity, when Your Portfolio is moved onto the Hub, it will continue to reference the same Premium Investments Model Portfolio(s) and will be held in the same type of account(s) unless your Adviser instructs us otherwise.

### Taking money out / withdrawals / selling your investments

- (f) Paragraphs 8.1, 8.2, 8.3 and 8.4 of Schedule 4 Part A set out how you can take money out of Your Portfolio(s). These apply in a different way for you as set out below:
- (i) paragraph 8.1, 8.3 and 8.4 say that you can only take money out of Your Portfolio(s) by contacting your Adviser. For you, you can also take money out of Your Portfolio(s) without needing to contact an Adviser and by contacting us directly. You can give us, SIM, instructions to take money out of Your Portfolio(s) in writing or verbally by any of the following methods:

- o telephone and providing us with selected security details; or
- o in person (by prior arrangement or through your Adviser); or
- o a written instruction (e.g. letter) signed by you.

We receive, handle and process your instructions in accordance with paragraph 9 of Schedule 2 and paragraph 8 of Schedule 4 Part A.

- (ii) paragraph 8.2 of Schedule 4 Part A says that when taking money out you must maintain the minimum operating balance. As per paragraph (b) above, until such time as you are notified that the transitional period has ended or that these terms no longer apply to you, the requirement to maintain a minimum operating balance is waived.

For the avoidance of doubt, during the transitional period and where you are taking a partial withdrawal, you still cannot take money out where this would result in more than 85% of Your Portfolio's value being taken.

- (iii) paragraphs 8.3 and 8.4 of Schedule 4 Part A state that we will take instructions from your Adviser in connection with taking money out. You are able to take money out without contacting an Adviser, and so paragraphs 8.3 and 8.4 should be read so that we can take instructions from your Adviser or from you.

### Fees and Charges

- (g) Paragraph 11.1 of Schedule 4 Part A sets out that the details of the initial Advisory Service Fee will be provided to you separately as part of the advice process. For clarity, you will not be charged an initial Advisory Service Fee as a result of moving Your Portfolio(s) that reference Premium Investments Model Portfolio(s) onto the Hub. However, as set out in paragraph 7.2 of Schedule 4 Part A, you may be charged an Advisory Service Fee where you receive advice on any further investment into Your Portfolio(s). In addition, you will also be charged the Ongoing Adviser Services Fee.
- (h) Paragraph 11.4 of Schedule 4 Part A sets out that the indicative value for the Ongoing Adviser Services Fee is set out in separate documentation provided by Santander UK and confirmed in the Summary of Costs and Charges section in a Suitability Report provided to you by your Adviser. As Your Portfolio(s) already reference Premium Investments Model Portfolio(s) which have been moved onto the Hub as part of the Model Portfolio Service, this won't apply to you. Instead, the indicative value (including any minimum or maximums) for the Ongoing Adviser Services Fee is set out in the Summary of Costs and Charges that was sent to you.

### Changing the reference Model Portfolio, monitoring Your Portfolio and Rebalancing

- (i) Paragraph 13.4 of Schedule 4 Part A sets out what factors your Adviser will consider when providing their initial advice to you on whether the Model Portfolio Service is suitable for you. As Your Portfolio(s) already reference Premium Investments Model Portfolio(s) and you receive the Model Portfolio Service, you will have already received this initial advice. Your Adviser will consider these factors when providing the ongoing advisory services to you.

### Ending the Service

- (j) Paragraph 17.5 of Schedule 4 Part A and paragraph 15.2(b) of the General Terms sets out that we may close Your Portfolio / end the Service / close your Hub Account where you no longer meet the eligibility criteria or Your Portfolio falls below the minimum operating balance for the Service. As set out in paragraph (b) of this Part B above, we have temporarily waived certain elements of the eligibility criteria and the minimum operating balance requirements, and so during the transitional period we will not be entitled to close Your Portfolio / end the Service for these reasons.

### Liability

- (k) Paragraph 26 of Schedule 4 Part A sets out what we are not liable to you for. In addition, for you, we are also not liable to you in relation to any decision made by you to take money out of Your Portfolio(s) without advice (as set out above under the heading 'Taking money out / withdrawals / selling your investments').

### ISAs

- (l) Paragraph 3.2 of the General Terms states that your ISA will begin as soon as we accept your completed Application and receive your valid payment. If you don't already have a Stocks and Shares ISA, you can only open one for the purposes of holdings some, or all, of Your Portfolio(s) in the Model Portfolio Service after consultation with your Adviser.





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