

## Key Information Document

### Purpose

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

### Product

**Product name:** Foreign Exchange Swap

**PRIP manufacturer:**

Santander UK plc

**Contact number for PRIP manufacturer:**

**Call** +44 20 7756 7186

**Website:**

<https://www.santandercb.co.uk/rsgterms>

**Competent Authority:** Authorised by the UK Financial Conduct Authority

**Date:** 01-Mar-2023

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

### What is this product?

**Type:** An Over the Counter (OTC) contract – Foreign Exchange Swap

#### Objectives:

The objective is to provide you with protection against future movement in rates of exchange and to help you to manage your cash flow more effectively as the rate of exchange is known.

The product achieves its objective by Santander UK plc agreeing on the Trade Date the terms of a Foreign Exchange Swap with you under which both parties exchange a fixed amount of one currency for another currency at two pre-agreed fixed rates of exchange for two specific dates in the future, with the exchanges being in the reverse currency direction to each other.

Specifically, on the Trade Date (1) you agree that either you Initially Buy or Initially Sell the fixed Notional Amount of the Notional Currency in exchange for the other currency in the Currency Pair at the fixed Initial Rate of exchange on the Initial Exchange Date; and (2) you agree the reverse currency exchange, so that either you Finally Sell or Finally Buy the fixed Notional Amount of the Notional Currency in exchange for the other currency in the Currency Pair at the Final Exchange Forward Rate on the Settlement Date.

The exact terms of the **Foreign Exchange Swap** are flexible and can be adjusted to suit your requirements. The exact terms will be set out in an individual trade confirmation.

#### Intended retail investor:

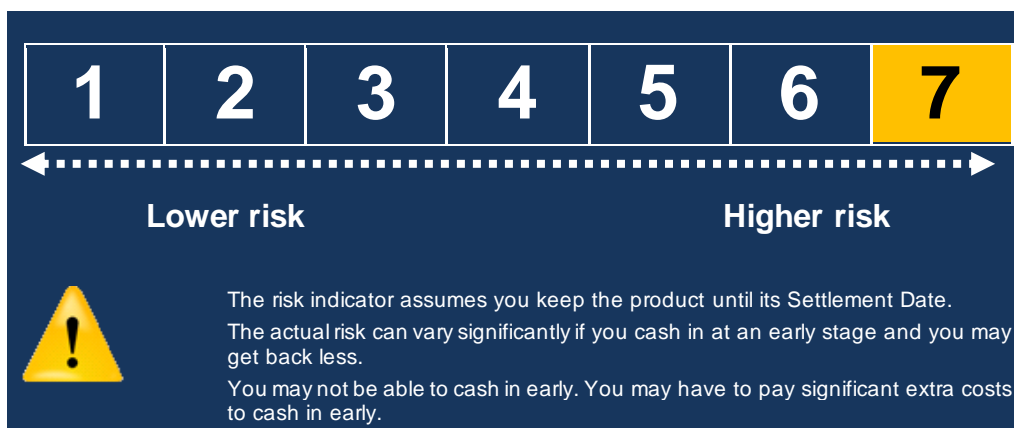
- This product is intended for retail investors who have an underlying commercial requirement to buy/sell a currency and re-exchange in the future. e.g. to manage cash flows in two currencies.
- Investors who are prepared to stay invested until the **Settlement Date**.
- This product is intended for retail investors who are assessed to have appropriate knowledge and experience to understand the currency risk arising from their commercial activity.

#### Term

The Settlement Date of the Foreign Exchange Swap will be set out in the confirmation for the product. The Foreign Exchange Swap is a bilateral agreement that cannot ordinarily be terminated unilaterally by either you or Santander UK plc. The product terms provide that if certain exceptional events occur Santander UK plc or you may terminate the product early. These events are specified in more detail in your ISDA master agreement or FX Facility Letter (as applicable) or in the confirmation. The amount (if any) you pay or receive on such early termination is likely to be different from the scenarios described in this document.

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

### Risk indicator:



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 7 out of 7, which is the highest risk class.

This rates the potential losses from future performance at a very high level.

**Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.**

In some circumstances you may be required to make further payments to pay for losses. **The total loss you may incur may significantly exceed the amount invested.**

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

### Performance Information:

This product can be used to hedge your exposure against the volatility of exchange rates, and the main factor that could affect the way this product performs is the performance of the FX spot rate of the currency pair you are purchasing. Any returns will be dependent on how the FX spot rate performs against the Final Exchange Forward Rate.

### What could affect my return positively?

At the Settlement Date if the currency you are purchasing strengthens and the currency you are selling weakens after entering into the Foreign Exchange Swap then your return with this product would be higher as you would be purchasing currency at the Final Exchange Forward Rate, in comparison to the spot rate.

### What could affect my return negatively?

At the Settlement Date, if the currency you are purchasing weakens, and the currency you are selling strengthens, then you would be in a worse position as your return with this product would be lower if you purchase currency at the Final Exchange Forward Rate, in comparison to the spot rate.

It is important to note that severely adverse market conditions are difficult to predict, and foreign exchange rates can be zero, therefore you could end up paying for a currency nominally worth nothing at the prevailing spot rate.

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

The product is not protected by the Financial Services Compensation Scheme or any other investor compensation or guarantee scheme. This means that if Santander UK plc is unable to pay out, you may not receive any amount from Santander UK plc under Foreign Exchange Swap.

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for the recommended holding period. They include potential early exit penalties. The figures assume you invest GBP 10,000. The figures are estimates and may change in the future.

### Costs over time

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

Investment of GBP 10,000	If you cash in at the recommended holding period
<b>Total costs</b>	GBP 20.00
Impact on return (RIY)	0.20 %

### Composition of costs

The table below shows:

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

This table shows the impact on return			
One-off costs	Entry costs	0.20 %	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0.00 %	The impact of the costs of exiting your investment when it matures.

Ongoing costs	Portfolio transaction costs	0.00 %	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.00 %	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	The impact of the performance fee. We take these from your investment if the product outperforms its benchmark.
	Carried interests	0.00%	The impact of carried interests. We take these when the investment has [performed better than x %]. [A payment of y % of the final return will take place subsequently to the exit of the investment.]

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

**Recommended holding period:** When entering into an Foreign Exchange Swap the term will be defined by you. This product is designed to be held until the Settlement Date. This product cannot easily be early terminated. You will either be unable to cancel early or you will have to pay high costs or make a large loss if you do so.

### How can I complain?

Complaints about the product, the conduct of Santander UK plc and/or the person advising on, or selling the product, should be addressed in writing to us at Santander Corporate and Commercial Complaints Team at Santander UK plc, Zone 1/3 South, 301 St Vincent Street, Glasgow, UK, G2 5NB. For more information on how to make a complaint, please see <https://www.santandercb.co.uk/contact-us/complaints>.

### Other relevant information

This document sets out the generic risks of the PRIIP that you may be considering as a financial investment, in order that you can compare it to other products. The specific terms of the product that you enter into will be set out in the confirmation in relation to that product. The full terms and conditions of the product are set out in your ISDA master agreement or FX facility letter (as applicable), as supplemented and amended by the confirmation for the product. These documents are made available to you on your request.