CAPB0762

Important information you need to read
and understand before you invest

The Capital Guaranteed Income Plan

An opportunity to benefit from up to 5 potential Annual Income Payments linked to the performance of the FTSE 100 Index, with 100% capital protection at maturity.

- Potential of up to 5 Annual Income Payments of amounts equivalent to 6.5% of your Original Investment during the 5 year term of the Plan.
- Available for Direct, SIPP/SSAS and Offshore Bond investments
- 100% capital protected at maturity

Cater Allen
PRIVATE BANK

PART OF THE SANTANDER PRIVATE BANKING GLOBAL DIVISION

www.caterallen.co.uk

Contents

The Capital Guaranteed Income Plan is a structured deposit which will provide a 100% protected return of your Original Investment at maturity after 5 years and may also provide up to 5 Annual Income Payments of an amount equivalent to 6.5% of your Original Investment depending on the performance of the FTSE 100 Index.

This product may not be suitable if you want the certainty of a source of income on an annual basis.

For further information about the Capital Guaranteed Income Plan and to download application forms visit **www.caterallen.co.uk** or call us on **0800 092 3300.**

LIMITED AVAILABILITY – ACT NOW

Capacity for investment in the Plan is limited.

Cater Allen reserves the right to refuse an application once the Plan limits have been reached.

Cater Allen also reserves the right to refuse any application at its absolute discretion.

Key Features of the Capital Guaranteed Income Plan

IMPORTANT INFORMATION YOU NEED TO READ AND UNDERSTAND BEFORE YOU INVEST

Cater Allen Private Bank is providing you with this important information to help you decide whether the Capital Guaranteed Income Plan is right for you. You should read this document carefully so that you understand what you are buying, and keep it safe for future reference. We may not make or imply any recommendation regarding the suitability of this investment.

These Key Features give you the main points about the Capital Guaranteed Income Plan, in order to help you decide if this product is right for you or if you want to invest.

Important information

The terms 'we', 'us', 'Cater Allen Private Bank', 'Cater Allen Limited', 'Cater Allen' and 'our' are used in these Key Features to refer to Cater Allen Private Bank.

If you need advice as to whether this Plan is suitable for you, you should consult a Financial Adviser.

Cater Allen does not offer advice or make any recommendations regarding this Plan.

Aims of the Plan

The Capital Guaranteed Income Plan is a structured deposit designed to provide a return of your capital at maturity after 5 years plus the potential for up to 5 Annual Payments linked to the performance of the FTSE 100 Index.

Annual Income Payments of an amount equivalent to 6.5% of your Original Investment before tax will be made if, on each of 5 Annual Income Observation Dates, the official closing level of the FTSE 100 Index is the same or higher than its Initial Index Level. **If it is lower than the Initial Index Level no Annual Income Payment will be made.** For example, if during the 5 year term of the Plan there are three years where the closing level of the FTSE 100 Index at the relevant Annual Income Observation Date is higher than the Initial Index Level, and two where it is below, only three Annual Income Payments would be made during the term of the Plan.

Please refer to the Term Sheet for further details.

The Plan is made up of two elements:

The Original Investment will be held on deposit by Cater Allen Private Bank. This will ensure the full return of the Original Investment if the Plan is held to maturity. All deposits held with Cater Allen Private Bank are fully and unconditionally guaranteed by Santander UK plc. The guarantee is dependent on the continued solvency of Santander UK plc.

Cater Allen will purchase a financial instrument which is linked to the performance of the FTSE 100 Index. This instrument, provided by Abbey National Treasury Services Limited (ANTS), is designed to match the income-producing and general investment objectives of the Plan. The performance of this instrument determines whether the Annual Income Payments are made.

Your capital is guaranteed at maturity

Your Original Investment will be returned if you leave it in the Plan for the full term of 5 years. The only returns paid by the Plan are the possible Annual Income Payments, and no interest is added to the Original Investment at maturity.

Your commitment

You should only contribute money you can leave untouched for the full investment term.

You have a minimum of £10,000 to invest (the maximum investment is £1 million).

Risk factors

Please note that the payment (or not) of the income is entirely dependent on the level of the FTSE 100 Index at the Annual Income Observation Date, and might not be paid at all – so if you want a definite income paid each year this Plan may not be suitable.

- If you close your Plan early you may get back less than you paid in.
- When we receive your Original Investment, it will be deposited into a Cater Allen Client Money account until the Strike/Effective Date.
- At the Strike/Effective Date your money will be pooled and transferred to a Cater Allen named account. All deposits held by Cater Allen are fully and unconditionally guaranteed by Santander UK plc. The guarantee is dependent upon the continued solvency of Santander UK plc.
- **This product may not be suitable if you want a definite source of income on an annual basis. If income is not paid following the annual observation, no income can be paid until the following observation date, one year later.**
- Annual Income Payments are dependent on the official closing level of the FTSE 100 Index on each of the 5 Annual Income Observation Dates. Whether or not you receive an Annual Income Payment could be affected by market events on these dates. This Plan is susceptible to short-term market fluctuations occurring on the Annual Income Observation Dates specified and you should understand and be prepared to accept this risk. Please refer to the Term Sheet for further details.
- Unless the performance of your Plan meets or exceeds the rate of inflation, the real value of your investment will reduce.
- Minimum Original Investment into the Capital Guaranteed Income Plan is £10,000.
- Please note that tax will be deducted from the gross payment of any Annual Income Payment before it is paid to you (please see 'What are the tax implications of this Plan?' on page 6).
- The levels and bases of taxation and reliefs from taxation can change at any time. The value of any tax reliefs depend on individual circumstances.
- If you die and your legal representatives choose not to hold the Plan until maturity they may get back less than you paid in.

We do not make or imply any recommendation regarding the suitability of this Plan. If you are in any doubt about the suitability of this Plan for your needs, you should seek professional advice from a Financial Adviser. You may need to pay to do this.

Questions and answers

Why choose the Capital Guaranteed Income Plan?

The Plan is designed to enable you to benefit from the possibility of attractive potential Annual Income Payments linked to the performance of the FTSE 100 Index over an investment term of 5 years but with the peace of mind that your Original Investment is 100% secure, mitigating the risks associated with investing in equities directly.

Is this right for me?

These questions are designed to help you decide whether the Capital Guaranteed Income Plan is suitable for your needs. If you are in any doubt about the suitability of this Plan for your needs, you should seek professional advice from a Financial Adviser. You may need to pay to do this.

This Plan may be suitable for you if:

- You have a minimum of £10,000 to deposit
- You require 100% capital protection at maturity
- You don't need access to your money over the next 5 years
- You want a Plan suitable for Direct, SIPP/SSAS or Offshore Bond investments
- You like the idea of potential income payments linked to the performance of the FTSE 100 Index but are not reliant on receiving income.

This Plan may not be suitable for you if:

- You want to be sure of receiving an income every year from the money invested.
- You are not looking for returns linked to the performance of the stockmarket
- You do not have any spare money for emergencies
- You may need immediate access to your money
- You want a known guaranteed rate of return
- You want to add to your investment on a regular basis
- You do not have at least £10,000 to invest.

Who can invest?

You must be aged 18 or over to apply, and be resident in the United Kingdom for tax purposes.

Joint applications are allowed for two applicants only.

Trustees of Self Invested Personal Pension Plans (SIPPs), including Corporate Trustees, may apply for this Plan. UK companies, charities and non charitable trusts can also apply.

When not to invest?

If you want to be sure of receiving an income every year from the money invested.

If you have any doubts about whether you can invest for the full term of the Plan (i.e. because you are ill, or elderly, or expect other calls on the monies invested in the Plan) you should seriously consider whether this investment is right for you.

What will I get back?

The Plan will return your Original Investment if it is held to maturity and may provide up to 5 Annual Income Payments related to the performance of the FTSE 100 Index. Annual Income Payments are determined by comparing the Initial Index Level with the official closing level of the Index on each of the 5 Annual Income Observation Dates. If the official closing level of the Index on each of the 5 annual dates is the same or higher than the Initial Index Level, then an annual payment equivalent to 6.5% of your Original Investment will be made. In the event that on any of the Annual Income Observation Dates, the official closing level of the Index is lower than the Initial Index Level, then no income payment will be made in that year but the Plan continues whether an income is paid or not. For example, if during the 5 year term of the Plan there are three years where the closing level of the FTSE 100 Index at the relevant Annual Income Observation Date is higher than the Initial

Index Level, and two where it is below, only three Annual Income Payments would be made during the term of the Plan.

Are there any charges?

There is no initial charge and all of your money will be fully invested in the Plan. For information, charges (which will not exceed 6% of your deposit) are already included in the product terms and won't affect your Original Investment or your likely returns.

From the charges detailed above, if you have a Financial Adviser, an amount up to 3% will be paid by Cater Allen as remuneration (commission) to your Financial Adviser after the financial instrument which is linked to the performance of the FTSE 100 Index is purchased. This does not affect your Original Investment or your possible income, as it is paid by us from the derivative purchased, not from the monies held on deposit.

How is my money invested?

The Plan is made up of two elements:

The Original Investment will be held on deposit by Cater Allen Private Bank. This will ensure the return of the Original Investment if the Plan is held to maturity. All deposits held with Cater Allen Private Bank are fully and unconditionally guaranteed by Santander UK plc, and the guarantee is dependent on the continued solvency of Santander UK plc.

A financial instrument is purchased which is linked to the performance of the FTSE 100 Index. This instrument, provided by Abbey National Treasury Services Limited, is designed to match the investment objectives of the Plan. The performance of the FTSE 100 Index determines whether the Annual Income Payments are made.

Will I receive dividends?

No, you won't receive any dividend income as your money is not invested directly in the FTSE 100 stocks and shares.

Will I receive income?

Yes, but only if the level of the index at the Annual Income Observation Date is the same or higher than at the Initial Index Level. If it is lower no income is paid in that year. Depending on the performance of the FTSE 100 Index the Plan has the potential to provide up to 5 Annual Income Payments.

What are the tax implications of this Plan?

Any Annual Income Payments made will be subject to Income Tax when individual investors receive their income payments.

The amount of tax you will pay also depends on your individual circumstances, but you might lose some age related benefits, personal allowance or other means tested benefits.

For individuals we will deduct tax at the rate for basic rate taxpayers from any Annual Income Payments. If you believe you are entitled to receive your Annual Income Payments without deduction of tax, please complete the relevant version of Form R85 in order to allow any interest to be paid gross. The relevant section of Form R85 can be obtained from the HM Revenue & Custom's website www.hmrc.gov.uk.

If you are a higher rate taxpayer you should declare any Annual Income Payments on your self assessment tax return. If the monies are held within a SIPP, SSAS or charity, under current legislation no tax will be payable on the Annual Income Payments and they will therefore be paid gross of tax.

Companies will receive the Annual Income Payments gross of tax but may be subject to taxation dependent upon their particular tax circumstances. Where the Plan is held by a non-charitable trust, we will deduct tax at the basic rate from the Annual Income Payments The trust may be subject to additional taxation or tax refund dependent upon its particular tax circumstances. Please speak to your Financial Adviser about how you might be impacted by any tax matters.

What if I change my mind?

You can cancel your Plan during the Cancellation Period. We will send you a cancellation form at the start of your Plan with details of your cancellation rights and how to exercise them.

If you change your mind, complete the cancellation form and send it back within 14 days of receipt to: TTS Team, Cater Allen Private Bank, 9 Nelson Street, Bradford BD1 5AN.

If you do this before the Strike Date, you will get a full refund of your Original Investment.

What if I need my money early?

The Plan should be held for the full term, until the Final Maturity Date. So if you think you'll need your money back before, then it's not right for you.

If you have to cash the Plan in earlier than the Final Maturity Date you may get back less than your Original Investment. You cannot cash in just part of the Plan – the whole Plan is encashed if you withdraw before maturity. There is a charge of £50 plus VAT if you withdraw before the Maturity Date (unless you cancel the Plan during the Cancellation Period).

If you withdraw from your Plan before the Final Maturity Date you will get back the value of the Plan at the date of withdrawal, which will consist of your Original Investment less any charges made due to an early withdrawal from the Plan. The nature of the charge will vary depending on how close you are to maturity when the Plan is closed. This amount may be less than the Original Investment. The 100% Guarantee only applies at maturity at the Final Maturity Date. Cater Allen will give you the details of the amounts you will receive back on receipt of a request for early withdrawal.

What happens if I die?

Your Plan would be dealt with in accordance with the instructions of your personal representatives. It could be closed, in which case they may receive less than the Original Investment, or transferred to the name of a beneficiary until the end of the term. The value of your Plan at date of death will be included in your estate for inheritance tax purposes. There is an administrative charge of £50 plus VAT in the event that your personal representatives require that the Plan is sold.

How will I know how my Plan is doing?

We will send you confirmation of your Plan within ten working days of receiving and accepting your completed application and payment into the Plan. Then, we will send you a statement every year so you can see how your Plan is doing.

When will I receive my Annual Income Payments?

If an income payment is due in any year, it will be paid to you within 14 days of the relevant Annual Income Observation Date.

What happens when the Plan matures?

We will write to you at least 30 days before the Final Maturity Date of your Plan to explain your options. We can pay the amounts to you or re-invest them in another product selected by you or your Financial Adviser.

When will my money be available?

Your money will be available for reinvestment or payment to you within 14 days of the Final Maturity Date.

Where can I find out more about the Plan?

Please contact us at: TTS Team, Cater Allen Private Bank, 9 Nelson Street, Bradford BD1 5AN.

Further information

Law

The Law of England and Wales governs the relationship with you prior to the conclusion of the Plan. The Plan is governed by the Law of England and Wales.

Complaints

This section tells you how to make a complaint. If you tell us about it, we'll try our best to put it right. We will aim to get to the bottom of your issue, we'll tell you what we're doing about it and do anything we can to help you. When you contact us, make sure you tell us your name and Plan number and the reason for your complaint. If you are happy to discuss the issue on the telephone, please give us your daytime number.

How to make a complaint

You can contact us using the details below. We'll let you know within five working days that we've received your complaint and we'll try our best to deal with it within four weeks. If we need a bit more time, we will let you know. We hope most complaints will be sorted out at this stage.

We aim to send you a final response within eight weeks of your original complaint. Please contact: Cater Allen Private Bank, FREEPOST, ANG40024, Bradford BD1 5WL.

We always hope that we are able to sort out your issue. However, if we have not been able to satisfy your complaint or if we have not sent you a final response after eight weeks you can write to the Financial Ombudsman.

The Financial Ombudsman would usually only investigate the complaint once our internal complaints process has been completed. Contact details are: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Call on 0845 080 1800 or fax on 020 7964 1001.

If you make a complaint to the Ombudsman, it will not affect your right to take legal action.

We have made our complaints procedure simple to follow, so that you should not have to use a solicitor or seek professional help. If you do choose to do this, you will be responsible for these costs.

A leaflet detailing our Complaints process will be sent with the acknowledgement of your complaint. Copies are also available from our website www.caterallen.co.uk.

Financial Services Compensation Scheme

If we cannot meet our financial obligations to you, you may be entitled to compensation under the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Details of your rights under this scheme are available from us on request, and further information is available from the FSA and the Financial Services Compensation Scheme.

The maximum cover available is £50,000 per authorised institution for a sole deposit account, or £100,000 per authorised institution for a joint deposit account.

Alternative formats

Cater Allen is able to provide literature in alternative formats. The formats available are large print, Braille, audiotape and PC disk. If you would like to register to receive correspondence in an alternative format, please contact us on 0800 092 3300.

Terms and Conditions

These Terms and Conditions together with your Application Form and the Plan Guide, which includes the Key Features, comprise the agreement under which we will manage your Plan.

This information has not been prepared or reviewed by the Issuer or Santander UK plc (the Guarantor) which is linked to the performance of the FTSE 100 Index. Neither the Issuer nor Guarantor of the financial instrument makes any representation or warranty, or accepts any responsibility or liability, to any party in relation to any whole or part of such information.

1. Definitions

In these Terms and Conditions the following words mean:

Annual Income Observation Date means any one of the 5 annual dates when the official closing level of the Index is reviewed to determine whether an Annual Income Payment will take place. Please refer to the Term Sheet for further details.

Annual Income Payment Dates means the dates on which the potential income is paid.

Business Day means any day other than a Saturday, Sunday or any day which is a public holiday in England.

Cater Allen Private Bank, Cater Allen Limited or **Cater Allen** means the provider of the bank account into which your Original Investment is paid and the provider of the Plan.

FSA means the Financial Services Authority, which is a non-governmental body given statutory powers by the Financial Services and Markets Act 2000.

Index means the FTSE 100 Index which is a capitalisation weighted index of the 100 most highly capitalised companies traded on the London Stock Exchange. The FTSE 100 Index is a capital-only index and takes no account of dividend returns. This product is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited.

Initial Index Level means the closing level of the Index on the Strike/Effective Date. Please refer to the Term Sheet for further details.

Issuer means Abbey National Treasury Services plc. Maturity Date means the date on which we instruct the encashment or sale of the investments on your behalf. Please refer to the Term Sheet for further details.

Maturity Date means the date on which we instruct the sale of the financial instrument, which is linked to the performance of the FTSE 100 Index, on your behalf.

Original Investment means the amount you pay into the Plan with your application. This amount is held on deposit with Cater Allen Private Bank to ensure return of Original Investment at maturity. All deposits held with Cater Allen Private Bank are fully and unconditionally guaranteed by Santander UK plc. The guarantee is dependent upon the continued solvency of Santander UK plc.

Plan means an investment as held under these Terms and Conditions.

Santander group of companies means the group of companies owned directly or indirectly by the Santander group which includes Cater Allen, the Issuer and the Guarantor.

Strike/Effective Date means the date when the Initial Index Level is taken. Please refer to the Term Sheet for further details.

We, us and **our** means Cater Allen, which is authorised and regulated by the FSA.

You and **your** means an investor who applies to make an investment under these Terms and Conditions.

2. Your Plan

2.1 You may open a Plan if you are 18 years or over and are resident in the UK for tax purposes, or if you are a trustee of a registered pension scheme.

2.2 A maximum of two people may hold a Plan in joint names. In this case, you are liable (individually and together) for any money due to us, and both of you must sign to operate the Plan unless you both authorise us in writing that we can accept one signature. Either of you may at a later date revoke this authority in writing. From then on we will need both signatures.

2.3 If applicable you may open more than one Plan. References to your Plan should be read as reference to each arrangement separately.

2.4 On the receipt of a duly completed application form and Original Investment, we may accept your investment subject to these Terms and Conditions. We reserve the right to reject an application for any reason. If we do not accept your application, we will return your payment.

2.5 By signing the application form, you have chosen to make an investment with the features (including the potential returns and risks) described in these Terms and Conditions. Your investment will be used to fund the investment returns offered by the Plan.

2.6 If we accept your application, we will open your Plan on the date on which we receive your Original Investment. If this date is not a Business Day, we will open your Plan on the next Business Day. If your Original Investment fails to clear we will cancel your Plan.

2.7 We do not provide advice to you in relation to your Plan. By accepting your application form we are not confirming that an investment in the Plan is suitable for you. You should seek financial advice if you are in any doubt as to whether the Plan is suitable for you.

2.8 We will classify you as a Retail Customer within the meaning of the FSA rules, unless we specify otherwise in correspondence with you.

3. Cancellation Rights

3.1 You will have the right to cancel your Plan within 14 days of receiving a notice from us of your right to cancel once we have accepted your application. You will receive a full return of the Original Investment, unless your Cancellation Notice is received after the Strike Date.

3.2 If your Cancellation Notice is received after the Strike Date the cash value of your Original Investment is not guaranteed and will be impacted by the set up charges and will depend on prevailing market conditions including, but not limited to, interest rates. Therefore you may not be able to reclaim a full refund of your investment.

4. Subscriptions

4.1 You must invest in the Plan with your own monies. The minimum and maximum investment amounts applicable to your Plan are set out in the Product Guide and Key Features.

4.2 All investments must be made in a form that is acceptable to us: CHAPS, BACS, Cheque, Internal Transfer.

4.3 The Plan will be open to investments for a limited period and may be closed to further investments without notice by us. In particular we may close the Plan to new business if the amount of investments received exceeds any maximum set by the Issuer.

5. Cash held within your Plan

5.1 Your Original Investment will be held in a pooled Cater Allen bank account until the Strike Date.

5.2 Cater Allen may benefit from the aggregation of client balances held.

6. Final Maturity Date and Cash Proceeds

6.1 All amounts paid shall be rounded down to the nearest GBP0.01.

6.2 At the Final Maturity Date, we will return your Original Investment.

6.3 We will contact you at least 30 Business Days before the Final Maturity Date of the Plan to confirm what you want us to do with the cash proceeds arising. If you have requested the cash proceeds are remitted to you we will endeavour to do this within 14 Days of the Final Maturity Date using the details we hold in our records for you.

6.4 Unless we have instructions to the contrary, we will hold your maturity proceeds in an interest bearing client money account, at the rate to be announced in the letter to be issued in accordance with clause 6.3. This will be offered for a 6 month period following the Maturity Date. Then, these proceeds will be transferred into a client money account as per clause 6.5.

6.5 Any unclaimed maturity proceeds 6 months after the Maturity Date will be placed in a non-interest bearing client money account held with Cater Allen in accordance with Section 8 (Client Money Matters) until we receive further instructions from you. These cash proceeds from your Plan will not earn interest or generate any growth.

7. Annual Income Payments

7.1 In the event that the closing level of the FTSE 100 Index at any of the Annual Income Observation Dates is the same as or exceeds the level of the Initial Index Level of the FTSE 100 index, an Annual Income Payment will be due and payable. Please refer to the Term Sheet for further details.

7.2 We will endeavour to send any income payments to you within 14 days of the applicable Annual Income Observation Dates using the details we hold on our records for you.

8. Client Money Matters

8.1 We shall treat unclaimed maturity proceeds, unallocated funds and funds following the termination of the Plan as client money, in accordance with the FSA Handbook, for a period of 6 years. Interest will not be paid on such funds as per clause 6.5.

8.2 You consent to any money held in a client account for more than 6 years being released and no longer treated as client money in accordance with the client Money Regulations of the FSA Handbook.

9. Documents you will receive for your Plan

9.1 We will acknowledge in writing your application to open a Plan to the correspondence address provided in your application form. You will receive your Cancellation Notice with this acknowledgement.

9.2 You will also receive a statement every 12 months on the anniversary of the Plan. The statement will be prepared in accordance with the rules of the FSA and will be issued within 25 Business Days of the Valuation Date and will not include any measure of comparative performance.

9.3 In the case of a joint Plan, we will only send one 12 monthly statement to both of you, unless you tell us that you each require separate 12 monthly statements.

10. Withdrawals

10.1 No partial withdrawals are permitted from your Plan.

11. Termination

11.1 You may instruct us in writing to terminate your Plan early before any Maturity Date. Following receipt, we will process your request within 30 days from the date of notification.

11.2 You acknowledge that if you request the early termination of your Plan the amount you receive back may be less than you originally invested and less than you would receive if you were to hold your Plan until the Final Maturity Date.

11.3 The Plan may be terminated by us:

- Immediately on giving written notice to you if, in our opinion, it is impractical to administer the Plan in accordance with FSA requirements, or you are in breach of FSA requirements.
- On giving one month's notice if you fail to pay any money due or are in breach of any of these Terms and Conditions.
- On giving you three months notice at any other time and for any other reason.

11.4 On termination for whatever reason, we will account to you for the proceeds of the investment, see above, and will be entitled to retain any cash required to settle any transactions already initiated on your behalf and any outstanding fees. You will pay us any fees and transaction charges accrued to the date of termination as set out in the Key Features.

11.5 The cash proceeds from any early termination of your Plan will be remitted to you within 30 Business Days after the date we receive your request for the closure of your Plan. We can pay proceeds to you by transferring the amount to a bank account in your name, or cheque in your name. Any withdrawal proceeds will only be made payable to you and cannot be paid to any third party, unless agreed at our discretion.

12. Death

12.1 Should you die and your personal representative or beneficiaries request that your Plan be terminated, an administrative charge of £50 plus VAT will be levied.

12.2 In the event of your death we will permit your Plan to be assigned to a beneficiary. No charges are applied in this case.

12.3 The total value of your Plan forms part of your estate for inheritance tax purposes.

12.4 If a joint Plan holder dies, the Plan will continue in the name of the surviving Plan holder. In all circumstances we will only register the change in ownership when we receive a certified copy of the deceased Plan holder's death certificate.

13. Charges

13.1 The Plan charges are set out in the 'questions and answers' section on page 5.

13.2 The cash value on early termination is not guaranteed and will depend on prevailing market conditions including, but not limited to, interest rates and the value of the financial instrument which is linked to the performance of the FTSE 100 Index. As all charges are reflected in the terms offered, the value of your investment is likely to be less than the amount originally invested in it for a substantial part of the investment period.

13.3 In addition we will benefit from the rounding of interest as provided in Section 5. However, we reserve the right to introduce an additional charge in the future to cover any additional expenses incurred by us as a result of significant regulatory change.

In any event no such charge will be introduced without giving you three months' written notice.

14. Conflicts of Interest

14.1 The FSA Principles of Business require that a firm must manage conflicts of interest fairly, both between itself and its customers and between one customer and another.

14.2 Cater Allen has a Conflicts of Interest Policy which fully meets this requirement. Cater Allen will identify conflicts and ensure these are properly managed in a fair manner. A copy of the Cater Allen Conflicts of Interest Policy is available on request.

15. Delegation of Functions

15.1 We may appoint any other third party to act in respect of any function relevant to administration of your Plan, though we must satisfy ourselves that any such third party is competent to carry out those functions or responsibilities. We shall take full responsibility for the actions and omissions of any such third party.

16. Commission

16.1 If you invest in a Plan through a Financial Adviser we will usually pay commission. The charges as set out in the Key Features provide for an amount of commission to be paid to your Financial Adviser. It is your responsibility to inform us of any change in your Financial Adviser to enable us to keep our records up to date.

17. Complaints

17.1 Any complaint with regard to the Account Manager should be addressed to: Cater Allen Private Bank, FREEPOST ANG40024, Bradford BD1 5WL in the first instance. If you are not satisfied with the manner in which the matter is addressed you can refer your complaint to The Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR. Making a complaint will not prejudice your right to take legal proceedings.

17.2 We will provide you with details of our Complaints Procedure upon request, or automatically in the event that you make a complaint that is not satisfactorily resolved.

18. Compensation

18.1 If we cannot meet our financial obligations to you, you may be entitled to compensation under the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Details of your rights under this scheme are available from us on request, and further information is available from the FSA and the Financial Services Compensation Scheme.

18.2 The maximum cover available is £50,000 per authorised institution for a sole deposit account, or £100,000 per authorised institution for a joint deposit account.

19. Data Protection

19.1 The information you provide on your application form (or subsequently) will be held and processed by us as data controller for the purposes of the Data Protection Act 1998. We may hold and process information for the administration of the service(s) for which you are currently applying or may apply for in future, for the operation of your investment in Securities (including e.g. for registration and distribution purposes), for the purposes of statistical analysis, and the marketing of goods or services by companies within the Santander group of companies. We may transfer information to other companies and to third party agents of such companies or of this company for any of the above purposes.

19.2 Where a Financial Adviser acts on your behalf, we will disclose information concerning your investment to your Financial Adviser. We will not provide information relating to you to any other third party, unless you have given your written consent or unless we are required to do so by law. You are entitled to request details of information we may hold about you upon payment of a fee and to require us to correct any inaccuracies in your personal data.

19.3 Before we open your Plan, we will check your details with fraud prevention agencies, and may make searches at credit reference agencies who will supply us with information including information from the electoral register, for the purposes of verifying your identity. Scoring methods may be used to verify your identity. A record of this process will be kept that may be used to help other companies to verify your identity. If you give us false or inaccurate information and fraud is identified, details will be sent to Fraud Prevention Agencies. Law enforcement agencies may access and use this information.

19.4 We and other organisations may search and use the records held by credit reference and fraud prevention agencies about you and your financial associates or Partner/Spouse and others in your household, to prevent crime, fraud and money laundering and for example:

- To check details provided on applications for credit and credit related or other facilities.
- To verify your identity if you or your financial associate applies for other facilities.
- To help make decisions about credit and credit related services, insurance proposals and claims, and all types of facilities for your, your financial associate or Partner/Spouse and other members of your household.
- To check the operation of credit and credit related Accounts and to manage Accounts and facilities, including tracing debtors and recovering debt.
- To help make decisions about job applicants and employees.
- To undertake statistical analysis and system testing.

19.5 We and other organisations may search and use from other countries the information recorded at fraud prevention agencies. Further information on the credit reference agencies and fraud prevention agencies we use is available on request.

20. Money Laundering

20.1 All transactions relating to products provided by Cater Allen are covered by the Anti Money Laundering Requirements. This means that we are responsible for compliance with these requirements. As a consequence, you may be required to provide proof of identity when buying or selling your Plan.

21. Obligations and Liability

21.1 We will exercise due care and diligence in managing your Plan. However, we will not be liable to you:

(a) For any loss arising as a result of us doing (or not doing) anything in reliance upon an instruction given (or which we reasonably believe to have been given) by you, your Financial Adviser or other authorised representative.

(b) For any loss, depreciation or fluctuation in the value of the investments held within the Plan.

(c) For any performance or profitability of the Plan.

21.2 You agree to release, assume responsibility for and compensate us, and any other Santander group company, from and against any and all costs, claims, demands, taxes (save for taxes in respect of trading profits), duties losses, expenses and liabilities incurred by us and/or them in any way in connection with your Plan. The exception will be where these arise as a result of our, or another Santander Group company's negligence, wilful default or breach of any statutory or regulatory obligations.

21.3 If we cannot provide the Plan because of something beyond our reasonable control (including without limiting the effect of the overall exclusion of liability, strikes, industrial action or the failure of equipment or power supplies) we will not be liable to you for any loss which you may suffer.

22. Assignment

22.1 We may transfer our rights and obligations under these Terms and Conditions to another company which is suitably authorised by the FSA on giving you 30 Business Days notice. Other than so permitted by clause 12.2, your rights and obligations under these Terms and Conditions are not assignable or transferable, unless specifically permitted by us.

23. Variation

23.1 We may vary these Terms and Conditions by giving you 30 Business Days written notice to comply with any changes in legislation and FSA rules, or if any changes are imposed on us by third parties associated with this Plan.

24. Governing Law

24.1 These Terms and Conditions are governed by the Law of England and Wales and will become effective on acceptance by us of your signed application form. Any disputes are subject to the exclusive jurisdiction of the Courts of England. All business is conducted in English.

25. Telephone Recordings

25.1 For your security telephone conversations may be recorded.

Mixed Sources
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Cater Allen Private Bank is able to provide literature in alternative formats. The formats available are: Large Print (as recommended by RNIB), Braille, Audio Tape and PC Disk. If you would like to register to receive correspondence in an alternative format please contact us on 0800 092 3300. For the hard of hearing and/or speech impaired please use the Typetalk service via 18001 0800 092 3300.