

keyfacts®

CAPITAL
GUARANTEED
DEFINED
RETURN PLAN

 **Cater Allen**
PRIVATE BANK

Provided by Santander ISA Managers Ltd



The Financial Services Authority is the independent financial services regulator. It requires us Santander ISA Managers Limited as the Product Provider, to give you this important information to help you decide whether these investment products are right for you. You should read this Key Features document carefully so that you understand what you are buying and then keep it safe for future reference.

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The Capital Guaranteed Defined Return Plan (CGDRP) is designed to offer a low risk investment opportunity which provides a capital guarantee and minimum return at maturity regardless of the performance of the FTSE 100 Index.

The Plan also offers the opportunity for a defined return if, at maturity, the Final Index Level is the same as or above the Initial Index Level.

For further information about the Capital Guaranteed Defined Return Plan and to download application forms visit **www.caterallen.co.uk** or call us on **0800 028 1200**.

Key Features of the Capital Guaranteed Defined Return Plan



Key Features of the Capital Guaranteed Defined Return Plan

Investment options can be daunting, which is why Cater Allen Private Bank and Santander ISA Managers Limited (as Product Provider), have developed the limited offer Capital Guaranteed Defined Return Plan. This Key Features document gives you the main points about the Cater Allen Capital Guaranteed Defined Return Plan to help you decide if this product is right for you/if you want to invest.

Important information

The Plan is an investment product; it is not a deposit product.

The money you invest will be used to buy shares in a protected cell of a Guernsey 'protected cell' investment company, Guaranteed Investment Products 1 PCC Limited (the Investment Company).

The Investment Company will use the money it receives from the sale of its shares to enter into financial transactions with Abbey National Treasury Services plc which are designed to generate the returns under the Plan.

The return of the money that you invested and the minimum return are guaranteed at maturity. Any return above this is not guaranteed. This guarantee is provided by the Santander Guarantee Company. Santander Guarantee Company will be dependant on Santander UK plc in the event it is required to meet its guarantee obligations. In the unlikely event that Santander UK plc is unable to provide its support (for example because it has become insolvent), you could lose some or all of the money you invested.

Independent credit ratings agencies regularly assess the financial stability of companies. The current ratings for Santander UK plc from the three main credit rating agencies indicate that in their opinion it is a secure company.

If you need to withdraw some of your money or close the Plan early you may get back less than you paid in.

The terms "we", "us" and "our" are used in these Key Features to refer to Santander ISA Managers Limited (SIM), and/or Cater Allen Limited, as appropriate in the context. "Cater Allen Private Bank" and "Cater Allen" refer to Cater Allen Limited, the Plan Managers authorised by SIM to distribute this Plan and, on behalf of SIM, to administer the Plan including record keeping. "ASL" is used to refer to Abbey Stockbrokers Limited as the ISA manager.

Its aims

The Capital Guaranteed Defined Return Plan (CGDRP) is a low risk investment designed to:

- Guarantee the return of the money you invest if you leave it for the full term of investment.
- Guarantee a minimum return at the end of the term.
- Pay back a fixed return, depending on how well the FTSE 100 Index performs, but any additional amount is not guaranteed.
- May offer a choice of investment term (a shorter term and longer term).

Your commitment

- You should only pay in money you can leave untouched for the full term of investment.
- You must invest a minimum of £7,200 per Plan.

Risk Factors

- Your money will be used to buy shares in a protected cell of the Investment Company. The value of these shares can go up and down during the term of the Plan.
- Your original capital and the minimum return are guaranteed only at maturity. Any return above this is not guaranteed. If you close your Plan early you may get back less than you paid in.
- The guarantee that you will receive the money you invested and the minimum return at maturity is provided by Santander Guarantee Company, a wholly owned direct subsidiary of Santander UK plc. Investors in the plan are exposed to Santander Guarantee Company's ability to pay which is dependent on Santander UK plc and its subsidiaries continuing to be able to meet their financial obligations.
- The Investment Company will enter into financial transactions with Abbey National Treasury Services plc which are designed to generate the returns under the Plan. These financial transactions will not be secured.
- In relation to the two risk factors listed immediately above in the unlikely event that Santander UK plc were to collapse you may lose some or all of your money.
- Any tax benefits associated with your investment may change in the future, which could affect how much you get back. The value of any tax relief depends on your personal circumstances. The guarantee will not cover any shortfall in the event that the returns are reduced because of tax changes.

- Santander Guarantee Company will not make a payment under the guarantee to the extent that it would be in breach of any law by making that payment.
- Although your capital and minimum return are guaranteed at maturity, this does not protect you from inflation. Therefore the real value of your money could reduce during the term of your investment.

Please ensure that you read the Questions and Answers section of this Key Features Document which gives further details of the above risk factors.

Is this right for me?

	Yes	No
I have at least £7,200 to invest	✓	
I need instant access to my money		✓
I want to make money from some stockmarket ups and have some protection against the downs	✓	
I do not want any risk to my capital		✓
I can leave my money untouched for the whole Plan term	✓	
I would like a fixed guaranteed minimum return and the potential to earn more at maturity	✓	
I want to know exactly what my return will be		✓
I do not need an income from my investment	✓	

If you are elderly or in ill health or you have any doubts about whether you can invest for the full term of the investment you should seriously consider if this investment is right for you.

If you are over 65 you should not invest just on the basis of the information in this pack, please speak to your financial adviser.

Questions and answers



Why choose CGDRP?

It is a low risk investment that guarantees you will get your capital back and a minimum return at maturity, no matter what the stockmarket does. Also, you can get a fixed return if the FTSE 100 Index has stayed the same or gone up by even one point at maturity.

What am I investing in?

The money you invest will be used to buy shares in a protected cell of a Guernsey 'protected cell' investment company, Guaranteed Investment Products 1 PCC Limited (the Investment Company).

A 'protected cell' company is a type of company which has distinct cells, keeping the property of one 'cell' separate from the property of other 'cells'. This ensures that the interests of investors in one cell of the company are kept separate from those of investors in other cells and from the general assets of the company. Any losses suffered by one cell do not affect other cells.

The cell in which you invest has been set up in the Investment Company with the aim of paying you the returns described in the relevant Term Sheet.

Abbey National Treasury Services (ANTS) is the Investment Manager to the Investment Company and the market maker for the Investment Company shares.

SIM, the Product Provider, has appointed Cater Allen Limited as the Plan Manager, and as such they will record the Account Investments (see definitions on page 17) held for you on behalf of SIM.

What does the Investment Company do with my money?

The Investment Company invests the net proceeds of the shares into financial transactions with Abbey National Treasury Services plc, which is a wholly owned subsidiary of Santander UK plc. The financial transactions are designed to generate the returns under the Plan. The Investment Company benefits from a guarantee from Santander UK plc in respect of the financial transactions it has entered into with Abbey National Treasury Services plc.

Where can I find out more about the Investment Company?

Further information is available in the Prospectus, which is the only document that contains the full details of the Investment Company, Santander Guarantee Company, Santander UK plc, Abbey National Treasury Services plc, the shares, the financial transactions and the guarantee and the risks of the investment in the shares.

The Prospectus means the Prospectus issued by the Investment Company in relation to the offer of shares, in compliance with the rules governing the public issue of securities in the United Kingdom from time to time.

The Prospectus may be obtained from us free of charge at: TTS Team, Cater Allen Private Bank, 9 Nelson Street, Bradford BD1 5AN

Questions and answers continued

How does the guarantee work?

Return of the money you invested is guaranteed, as well as any minimum return specified in the Term Sheet, at maturity. This means that as long as you keep your money invested for the full term you will get back the money you paid in, plus any minimum return.

Any return you may get over the minimum is not guaranteed.

The return is based on the number of shares you hold. If you cash in early you may get back less than you paid in and the guarantee will not apply.

Santander Guarantee Company does not guarantee or give any other assurances as to the performance of any Index to which returns may be linked.

The guarantee is provided by Santander Guarantee Company, an English unlimited company and a wholly owned direct subsidiary of Santander UK plc. Investors in the Plan are exposed to Santander Guarantee Company's ability to pay.

Santander UK plc has a legal obligation to provide the necessary financial support to Santander Guarantee Company to ensure it meets its guarantee obligations. Please refer to Risk Factors detailed earlier in this document.

The amount of return guaranteed by Santander Guarantee Company under the guarantee will reduce if and to the extent that, as a result of a change in law:

- (a) withholding tax is imposed on payments by the Investment Company to investors or on payments under the guarantee; or
- (b) a withholding tax is imposed which causes, directly or indirectly, a reduction in payments to the Investment Company under the financial instruments in which it invests; or
- (c) a tax is imposed on amounts paid to the Investment Company under such financial instruments. Santander Guarantee Company will not make a payment under the guarantee to an investor in the Plan if and to the extent that it would be in breach of any law in making that payment.

How are the shares in the Investment Company bought for my Plan?

When you invest, your money will be held in a non interest bearing client money account with Cater Allen Private Bank. Shortly prior to the commencement date your money will be transferred to a non interest bearing client account with Santander ISA Managers Limited (SIM), the Product Provider. At the commencement date SIM will arrange for the purchase of shares in the Investment Company on your behalf.

What happens when the Plan ends?

At the end of the term, and just prior to maturity, the shares are sold to Abbey National Treasury Services plc on your behalf. The shares will not be transferred to Abbey National Treasury Services plc until payment for them has been received on your behalf. This does not affect the amount you will receive.

At maturity you will receive the returns as described in the Term Sheet.

Your money will be available for reinvestment or payment to you shortly after the Plan ends (the maturity date). No interest will be paid during this time. For details of the maturity date please see the relevant Term Sheet.

We will contact you at least 30 working days before the 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 maturity date using the details we hold in our records for you.

Unless we have instructions to the contrary, we will hold your maturity proceeds in an interest bearing Cater Allen client money account, at the rate which will be announced in the letter sent to you 30 working days before maturity. This will be offered for a 6 month period following the maturity date.

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 until we receive further instructions from you. These cash proceeds from your Plan will not earn interest or generate any growth.

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.

Will I get an income?

No. This Plan is designed for growth at maturity. Although your money buys shares you will receive no dividend income from them.

What if I need my money early?

The Plan is designed to be held for the full term; so if you think you'll need your money back before, then it's not right for you. You can however cash in your Plan at any time. The amount you will receive could be less than you originally invested, particularly if you withdraw in the early years. What you will get back depends on prevailing interest rates, market conditions and the timing of the sale.

Your instructions will normally be carried out within 15 working days of receipt by Cater Allen.

You cannot cash in just part of the Plan – the whole Plan is encashed if you withdraw before maturity.

There is an administrative charge of £50 plus VAT if you withdraw before any maturity date (unless you cancel the Plan during the Cancellation Period).

For more information on cancellations please see 'Can I cancel my investment?' on page 12.

Questions and answers continued

What are the Tax implications?

There are two ways you could invest in the Capital Guaranteed Defined Return Plan, making your returns free of Income Tax and potentially, Capital Gains Tax:

1. Within a stocks and shares ISA

- a) If you have not already used your ISA allowance or subscribed to another stocks and shares ISA in this tax year, you could invest in the Capital Guaranteed Defined Return Plan as an ISA. This is only available where the term of the product is greater than 5 years.
- b) Under current legislation, you won't have to pay tax on any money you make from an ISA.
- c) You don't need to mention an ISA on your tax return.

Changes to ISA Limits

From 6 October 2009, the annual ISA allowance increased for customers who are aged 50 or over by the 5 April 2010, to £10,200 per tax year. Of this, up to £5,100 can be contributed to a Cash ISA. From 6 April 2010, the increased allowance will apply to all customers.

2. Outside of an ISA

If you invest through a Direct Share Investment Plan, you may be able to offset any gains against your Capital Gains Tax allowance (£10,100 for the 2009/2010 tax year). Under current legislation no Capital Gains Tax will be payable for individuals whose total capital gains fall within the Capital Gains Tax allowance in the tax year the maturity proceeds are paid.

Under current legislation gains on maturity proceeds of Account Investments held in a SSAS/SIPP will not be subject to tax. If you are a corporate or charity investor, you should seek your own tax advice before investing.

The tax rules may change in the future.

Are there any charges?

There is no initial charge and all of your money will be used to buy shares in the Investment Company.

Santander ISA Managers Limited will receive a one-off payment from the Investment Company, which (combined with a fee paid to the Investment Manager) will not be more than 7% of your investment.

This payment is already included in the product terms and won't affect the returns you'll get. Santander ISA Managers Limited will pay commission to Cater Allen as distributor and Plan Manager from this payment.

How much will the advice cost?

If you have a Financial Adviser, an amount up to 3% will be paid by Cater Allen from the charges detailed above as remuneration (commission) to your Financial Adviser shortly after the commencement date. This payment is already included in the product terms and won't affect the returns you'll get.

What happens if I die?

The tax-free benefits of an ISA will stop. Your shares will stay invested until your personal representatives tell us what to do with them. They can be cashed in or transferred to the name of a beneficiary and left in the Plan until the end of the term. The value of your investment will be included in your estate for inheritance tax purposes.

How will I know how my investment is doing?

We'll send you confirmation of your investment within 3 working days of receiving your completed application. Then, we'll send you a statement every year so you can see how your investment is doing. You can also see indicative valuations at www.caterallen.co.uk/structuredproducts

What should I read before investing?

Please read the Terms and Conditions together with this document, the Prospectus and the relevant Term Sheet.

There are three ways to invest into the plan. Simply pick the one that suits you best:

- by opening an Individual Savings Account (ISA);
 - If you're opening or transferring an ISA, Abbey Stockbrokers Limited (ASL) have been appointed as the ISA Manager. Any monies received in respect of an ISA will be held by Cater Allen on behalf of ASL. References to Cater Allen in the context of an ISA refer to ASL;
- by opening a Direct Share Investment (also available for investment through the James Hay SIPP, other SIPP and SSAS arrangements, and to corporate investors).
- Please refer to the Term Sheet for details of the deadlines for transfers.

Who are ISAs suitable for?

An ISA is suitable for anyone who can afford to set aside money, perhaps for a rainy day or for some medium to long-term savings aim.

You should think carefully about the risks before deciding which type of ISA is right for you. Savings invested in a Cash ISA will normally give you your money back plus some interest.

Savings invested in a Stocks and Shares ISA may offer higher returns in the medium to long-term but you may get back less than you have paid in.

If you are in any doubt that an ISA is suitable for please speak to your financial adviser.

Individual Savings Account (ISA)

An Individual Savings Account (ISA) lets you save money without having to pay any tax when you cash in your savings.

Think of it like a wrapper in which you can hold different types of savings. An ISA may be an ideal choice because it gives you tax efficient returns. Please bear in mind that the tax rules might change in the future.

Who can open an ISA?

You can open an ISA if you're 18 or older and are considered to be living in the UK for tax purposes. If you're 16 or older and are considered to be living in the UK for tax purposes you can open a Cash ISA. You can only apply to open an ISA in your own name.

Can I cancel my investment?

You can change your mind and cancel your Plan within 14 days of receiving your cancellation form. Please note that if you cancel an investment made by transferring in an ISA, all future tax advantages associated with it will be lost. We'll send you a cancellation form within three days of receiving your application. If you have changed your mind, fill in the form and send it back to:

Cater Allen Private Bank, FREEPOST,
ANG40024, Bradford BD1 5WL

If we do not receive your cancellation request within the 14 day deadline, your request will be treated as a closure which means you may get back less than you invested.

Further information



Further information

The Law

The Law of Scotland governs the relationship with you prior to the conclusion of the contract. The Plan is governed by the Law of Scotland.

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 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:

- Haven't been able to satisfy your complaint;
- Haven't 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 had been completed.

Contact details are:

Financial Ombudsman Service
South Quay Plaza, 183 Marsh Wall
London E14 9SR

Call on 0845 080 1800

Fax on 0207 964 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.

Compensation Scheme

In the unlikely event that the Plan's provider, Santander ISA Managers Limited becomes insolvent and unable to meet their liabilities, claims arising against them in respect of the management of your investment in the Plan, may be eligible for compensation from the Financial Services Compensation Scheme (FSCS).

Eligible claims for most types of investment business are covered up to a maximum limit of £50,000.

If you lose money solely because Santander Guarantee Company fails to meet its obligations under the guarantee, due to insolvency or for any other reason, you will not be able to claim against the FSCS for loss caused by such failure.

Further information is available from the:

FSA and the Financial Services
Compensation Scheme (FSCS),
7th Floor, Lloyds Chambers,
Portsoken Street, London E1 8BN

Call us on 0207 892 7300

Legal information

The return at maturity is dependent on the performance of the FTSE 100 Index as specified in the relevant Term Sheet. Please remember that there is no guarantee that the Index will behave the way it has done in the past.

You should also be aware that the FTSE 100 Index doesn't include any reinvestment of dividend money from shares.

Abbey National Treasury Services plc may determine the closing level of the Index in certain circumstances explained in the Prospectus.

This product is not in any way sponsored, sold or promoted by FTSE International Limited, by the London Stock Exchange plc or by The Financial Times Limited.

In the event of a claim under the guarantee, Anson Registrars Limited has been appointed to act as the agent and trustee of holders of shares in the protected cell of the Investment Company in relation to claims under the guarantee. Your investment in the Plan means that you have the benefit of, and are subject to, the terms of the guarantee claims deed. Descriptions of the guarantee provided by Santander Guarantee Company and the guarantee claims deed are contained in the Prospectus.

Abbey National Treasury Services plc, has been appointed as Investment Manager in relation to this investment and as the sole market maker of the shares, and may maintain a holding in the shares.

[Terms and conditions](#)



These Terms and Conditions set out the contract between you and SIM. They explain our obligations to you, and your obligations to SIM. 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 conditions.

The limited offer shares we buy for you are in a Guernsey protected cell investment company called Guaranteed Investment Products 1 PCC Limited. You'll find details of the company in the Key Features and Prospectus.

Santander ISA Managers Limited (SIM) is a wholly owned subsidiary of Santander Asset Management UK Holdings Limited and are authorised and regulated by the Financial Services Authority.

Santander UK plc, Abbey Stockbrokers Limited and Cater Allen are authorised and regulated by the Financial Services Authority.

You should read these Terms and Conditions carefully. If there is anything you don't understand, please contact Cater Allen Private Bank on 0800 028 1200.

Definitions

Account Investments

The cash, or shares held on your behalf.

ANNL

Abbey National Nominees Limited. ANNL holds the shares on your behalf including any certificates and other documents relating to the shares.

Application form

The form you fill in to open your Plan.

ASL

Abbey Stockbrokers Limited. ASL is the ISA Manager.

Associate company

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

Cater Allen

Cater Allen Limited. The distributor and administrator of the Plan for and on behalf of SIM.

Conditions

These Terms and Conditions, the Application Form and the Key Features.

Fund(s)

Any of the funds that you can invest in.

ISA

An Individual Savings Account operated and maintained by ASL in accordance with the Individual Savings Account Regulations 1998 (as amended from time to time).

ISA Manager/Provider

A firm authorised to manage ISAs.

Plan

Your investment, whether held within or outside of an ISA.

Regulations

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

Regulator

An organisation that regulates either us or an Associate company.

SIM

Santander ISA Managers Limited. SIM is the product provider.

Tax year

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

We (and us)

Santander ISA Managers Limited, the Product Provider, and/or Cater Allen as our agents, or ASL as the ISA Manager/Provider, as appropriate in the context.

Working day

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

Terms and conditions continued

1 Start date of your Plan

Your Plan will begin as soon as we accept your application and receive your payment. If we don't accept your application, we'll return your payment according to the terms of paragraph 16 and within the times shown in the Key Features.

2 Paying into your Plan

You must make payments into your ISA with your own money. Your payments must not go over the limits laid down in the Regulations and must not be less than any minimum we have told you about. We reserve the right to satisfy ourselves that you have used your own funds. You cannot make a joint investment into an ISA.

3 Charges

Details of the charges are set out in the appropriate Key Features document.

4 Changing the charges

- i) We may change the charges at any time. To avoid unnecessary postal and other costs we may make a change without telling you if:
- You'll benefit from the change; and
 - You'll take the full benefit whether or not you have been told about the change.

If a regulator requires us to make a change at short notice, we may not be able to give you notice of that change.

Otherwise we'll give you at least 30 days' notice of any increase in our charges. If you are entitled to a longer period for a particular Account Investment, we'll give you at least that period of notice.

- ii) We may make a change to our charges or interest rates to:
- Keep our business competitive as a whole
 - Reflect actual or expected changes in money market interest rates
 - Make sure that we can run our business wisely
 - Reflect general banking or investment practice

- Take account of changes in the law or in Regulations
- Take account of a ruling or recommendation by a court, ombudsman, regulator or similar organisation
- Take account of changes in technology or in the direct costs we have to pay to others or
- Take account of inflation.

iii) We may also change our charges by giving you notice at any time, for any other reason that is valid. If we change our charges or interest rates you can transfer your ISA to another manager (paragraph 12).

5 Cashing in your Plan

You can write to us or phone us at any time to cash in the Account Investments in your Plan. We'll normally process your request within 15 working days of receipt, however, you may request a date after this period if you wish. Under the Regulations, we can take up to 30 days to process your request to take money out of your ISA.

If you have to cash the Plan in earlier than a 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 an administrative charge of £50 plus VAT if you withdraw before any maturity date (unless you cancel the Plan during the Cancellation Period).

The amount you get back will depend on the interest rates and the prevailing market conditions at the time of closure and may be affected by any money we keep under paragraph 6.

We can pay the proceeds to you by:

- Transferring the amount to a suitable Cater Allen account in your name
- Cheque.

We'll send you a contract note of the value of the relevant Account Investments cashed in and how we have arrived at the value.

Please note that if you cash in your Plan before maturity you may get back less than you originally invested.

6 When we can keep money from your Plan

We can use any cash in your Plan or sell any Account Investments:

- To pay our charges; and
- To pay any tax or other amount necessary to HM Revenue & Customs or other government agency in relation to your Plan.

If we don't know how much the tax or other amount will be, we may keep an amount of cash that we feel is reasonable and appropriate.

If we are still awaiting confirmation that the payment has been received to buy some or all of your Account Investments we'll delay paying the proceeds to you until the confirmation is received.

7 Statements

We'll send you statements every year and these will meet the rules of any relevant regulator. Each statement will contain a note of the value of your Account Investments, the basis for valuation and details of any transactions carried out since:

- You set the Plan up; or
- The date of the last statement; if this is later.

8 Who owns the Account Investments in your Plan?

You are the beneficial owner of the Account Investments. You are not allowed to transfer your rights to the Account Investments in an ISA to any other person.

9 Other people

Our relationship is with you and we will not recognise the interest or claim of any other person unless, by law, we have to. For example, this means that you cannot use any of the Account Investments in your Plan as security for any borrowing or other money that you owe.

If you become mentally incapable of managing your affairs we may allow a person appointed by the Court to manage your affairs to operate your Plan.

10 Transactions

We may refuse to carry out or allow any transaction on the Plan if we are not reasonably satisfied that:

- The transaction is legal;
- It is allowed by the Regulations; or
- It is you who has asked for it or authorised it.
(In other words, we may ask you to prove your identity.)

11 ISA Transfers in

Where the term of the product is greater than 5 years, you can transfer all or part of an existing Cash ISA and/or Stocks & Shares ISA from another provider to ASL. ASL will only accept transfers in the form of cash. The transfer will depend on the other provider agreeing.

12 ISA Transfers out to another provider

You may ask us, at any time, to transfer your ISA to another provider approved under the Regulations. Normally within 15 working days of receipt of your request (although you may request a date after this period if you wish), we will arrange for your investment in the Plan to be sold at the current market price and the cash proceeds (less any money we keep under paragraph 6) will be remitted to the new ISA manager. As the investment cannot be transferred it will be treated as an early withdrawal (please see paragraph 5) and therefore you may get back less than you originally invested. Under the Regulations, we can take up to 30 days to do this. The transfer will depend on the other provider agreeing.

The transfer will depend on the Regulations, which, for example, don't allow you to partly transfer payments made during the same tax year as the transfer.

13 When we may close your Plan

- i) We will give you three months' written notice if we plan to stop managing your Plan 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 Plan has stopped being commercially worthwhile for us.

Terms and conditions continued

During the period of notice you can transfer your ISA to another provider (paragraph 12). If you don't transfer your ISA during the period of notice, we may then close it.

- ii) We may close your Plan either immediately or at the end of the tax year if:
 - You withdraw or cash in all of the Account Investments; or
- iii) If we discover or HM Revenue & Customs tells us that your ISA has or will become 'void', we'll give you written notice of this straight away, and we will have to close your ISA.
- iv) If we close your ISA, it will follow the relevant Regulations. We will not be liable to you for any loss, liability or damage that you suffer as a result of closing the Plan.
We will give you all relevant information and certificates that relate to tax you need under the Regulations. Except for any amount we keep under paragraph 6, we will pay the proceeds of the Account Investments to you.

14 Cancellation rights

You can change your mind and cancel your Plan within 14 days of receiving your cancellation form. Please note that if you cancel an investment made by transferring in an ISA, all future tax advantages associated with it will be lost. We'll send you a cancellation form within three days of receiving your application.

15 Using others to carry out our duties

We may use the services of an Associate company to carry out administrative duties relating to your Plan and pass all appropriate information to them. This will depend on the following:

- We must keep responsibility for the way these duties are carried out
- We must be satisfied that the Associate company is able to carry out the duties.

We may appoint, an alternative Associate company as Manager of your ISA. The Associate company must be approved under the relevant Regulations as a Manager. 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.

16 Holding your money

Any monies received from you or due to you will be held in a non interest bearing client money bank account with Cater Allen Private Bank for all investors in the Plan. Prior to the Plan's commencement date these monies will be transferred to an SIM client money account. At maturity or earlier redemption the Cater Allen client money account will also be utilised for the transfer of the encashed investments from the SIM client money account.

SIM's client money account will be utilised for the accrual of client monies prior to investment or return. SIM will place this money in one or more sterling accounts with Santander UK plc. The amounts in these client money accounts may also include money SIM have been given by other people. Your money should only remain in a client money account until the next valuation point/dealing day for investment, or until you have received and cashed any proceeds due to you.

17 If we cannot provide services

If we cannot provide services because of something beyond our reasonable control (including strikes, industrial action or the failure of equipment or power supplies), we will not be liable to you for any loss you suffer.

18 Liability

We have no liability for errors of judgement or for any other action we have taken in good faith, or not taken, in connection with your Plan, unless there has been default or negligence by us. 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 are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations.

This depends on the type of business and the circumstances of the claim. Further information about compensation arrangements is available from the Financial Services Compensation Scheme. In relation to our dealings with you, we shall take reasonable steps to ensure fair treatment for you if at any time there is a conflict of interest between you and us or if we have an interest of a material nature.

19 Changing these Terms and Conditions

i) We may change or add to these Terms and Conditions at any time. To avoid unnecessary postal and other costs, we may make a change or addition without telling you if:

- You'll benefit from the change or addition
- You'll take the full benefit whether or not you have been told about the change or addition
- If a regulator requires us to make a change or addition at short notice, we may not be able to give you notice of that change or addition.

For all other changes or additions we'll give you at least 30 days written notice of the change or addition.

We may make a change or addition to:

- Keep to any changes in the law, including the Regulations, or in codes of practice
- Provide for the introduction of new or improved systems, methods of operation, services or facilities
- Take account of a ruling or recommendation by a court, ombudsman, regulator or similar organisation
- Reflect the general banking or investment practice
- Make them clearer or more favourable to you
- Put right any mistake that we might discover in the future.

If we change or add to the Terms and Conditions, you can transfer your ISA to another provider (paragraph 12).

ii) We may change or add to these Terms and Conditions at any time for any other reason which is valid.

20 Notices

Any notice under these Terms and Conditions must be given, in English, as follows:

- By you to:
Cater Allen Private Bank, 9 Nelson Street, Bradford BD1 5AN. This address will apply both to us and to Associate companies
- By us (or a relevant Associate company).

We or the Associate company will send a personal notice to you.

21 Data Protection

i) The address that you give us must be your permanent home and will be the one to which we send any letters and so on.

You must tell us straight away if you change your address and we may ask you to confirm it in writing.

ii) 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.

iii) Where a Financial Adviser acts on your behalf, we will disclose information concerning your investment to your Financial Adviser.

Terms and conditions continued

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.

- iv) 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.
- v) We and other organisations may search and use the records held by credit reference and fraud prevention agencies, 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 you, 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.

vi) 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.

22 Complaints

For details about how to make a complaint, please refer to the Key Features.

23 Governing law

The law of Scotland will apply to these Terms and Conditions.

24 Recording of telephone conversations

To help us improve our service we may record or monitor phone calls.

25 Buying and selling Account Investments

Arrangements for buying and selling shares in a limited offer fund can be found in a document called the Prospectus for the relevant company. You can ask us for this document. We'll tell you at the appropriate times about the conditions which apply to the buying and selling of shares.

We'll generally send you confirmation of your investment within three working days of receiving your application or transfer value.

We won't have to give you details of or pay you any profit, commission or payment which we or any Associate company receive by carrying out any transactions. We may enter into or be the other 'party' to these transactions.

26 Who holds the Account Investments?

Abbey National Nominees Limited (ANNL) holds the shares on your behalf. However SIM, as the Product Provider have appointed Cater Allen Limited as Plan Manager, and as such they will record the Account Investments held for you on behalf of SIM. ANNL will hold all certificates and other documents relating to this. Neither you, nor us on your behalf can lend the Account Investments to anyone else and you cannot borrow money against the security of those investments.

27 Taxation

We'll contact HM Revenue & Customs (on your behalf) to make any appropriate claims relating to tax for Account Investments held in an ISA. For these purposes, we may carry out appeals and agree, on your behalf, liabilities for and reliefs from tax.

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.

Gains of maturity proceeds of directly held Account Investments may be subject to Capital Gains Tax dependent upon your personal circumstances. Under current legislation gains on maturity proceeds of Account Investments held in a SSAS/SIPP will not be subject to tax.

If you are a corporate or charity investor, you should seek your own tax advice before investing.

28 Your rights as a 'beneficial owner' of shares or bonds

As the beneficial owner of Account Investments in a limited offer fund you can ask us for a copy of the Annual Reports and Accounts. There is a charge of £30 plus VAT for this.

29 Death

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. There is an administrative charge of £50 plus VAT in the event that your personal representatives require that the investments are sold. We may have to keep some money under paragraph 6.



PART OF SANTANDER PRIVATE BANKING GLOBAL DIVISION

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 028 1200. For the hard of hearing and/or speech impaired please use the Typetalk service via 18001 0800 028 1200.

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www.caterallen.co.uk/structuredproducts

