

Cross Currency Overdraft

Lending solutions to support business

Cross Currency Overdraft (CCO) is a working capital facility comprising Sterling and foreign currency accounts with the ability to have a group overdraft limit in Sterling only.

CCO provides you with flexibility in managing the timing of your payments and foreign exchange transactions – you can borrow in Sterling against different currency credit balances maintained on other accounts within the structure (this is known as set off).

Each account will have an agreed debit and/or credit interest rate. Debit or credit interest is calculated on each account daily, based on the balance of that account and charged monthly.

CCO structures are set up with a net limit and a gross limit. The minimum borrowing is £25,001 (either net or gross limit).

As a CCO structure provides set off, payments can be made from any of the accounts (subject to individual account conditions) provided the structure is within the agreed net and gross limits.

What are the benefits?

- Flexibility to make payments in a number of different currencies using credit balances in other accounts.
- You can make payments via Connect or Connect Plus (Online Banking) from any corporate current account within the CCO structure.

What are net and gross limits?

- The gross position is the total sum of **all debit balances** within the CCO structure. The gross limit is the total gross position we would allow you to reach which would be agreed at the time of opening and is subject to our standard lending policies.
- The net position is the sum of **all balances** in the CCO structure, arriving at the net position after having deducted the debit balances from the credit balances. The net limit is the total net position we would allow you to reach which would be agreed at the time of opening and is subject to our standard lending policies. This limit is visible on the main account only but is applicable for all accounts within the structure.
- The limits are in Sterling and balances on foreign currency accounts will be notionally converted to the Sterling equivalent on a daily basis using buy and sell rates. These are available by contacting your Relationship Director.

For more information please contact your local Relationship Director or visit:

santandercb.co.uk

What are the fees associated with a CCO?

- There are no set up or monthly fees.
- Where there is an arranged overdraft in place, the relevant Arranged overdraft fees and charges will apply (including any arrangement fees). Please refer to the Sterling, Euro and US dollar overdrafts factsheet for more details.
- If the agreed net limit is exceeded, you will be charged interest at the unarranged overdraft interest rate until the account is brought back into credit or within the arranged overdraft limit. For the latest rates, refer to the Non-Standard Charges Factsheet.
- Any fees will vary depending on your circumstances and the specific requirements. Your Relationship Director will agree all Santander's fees with you under the terms of your CCO agreement. You may also incur third party fees if you seek independent professional advice.

What currencies are CCOs available in?

- Our solution can include all or any of the currencies provided by Santander (see overleaf for the list).
- Only Sterling, US dollar and Euro current accounts can go into an arranged overdrawn position.
- Arranged and unarranged debit interest will be applicable for balances in Sterling, US dollar and Euro current accounts. **The debit interest rate will consist of Santander's lending margin plus the reference rate as specified below.** This will be agreed with your Relationship Director prior to the CCO being finalised. Please note: If the reference rate falls below zero, the rate applied to your agreement will be zero.

Currency	Reference Rate	Rate as at 17 June 2022
Sterling	Bank of England base rate (also known as the official bank rate)	1.00%
US dollar	Federal funds target rate	1.75%
Euro	European Central Bank refinancing rate	0.00%



How long does a CCO last for?

- The net limit can be approved for a maximum of 12 months.
- Prior to expiry, the net limit will be reviewed and you will be provided with the options available to you at the time (this could include extending for another 12 months or removing the limit/CCO structure if it's no longer required).

Which accounts can be included within a CCO?

- Santander corporate current accounts – Sterling and currency.
- Instant access deposit accounts.

Where can I find more information on Santander corporate current accounts (including any associated fees)?

- For information on our corporate current accounts please visit [santander.co.uk](https://www.santander.co.uk) or contact your local Relationship Director.

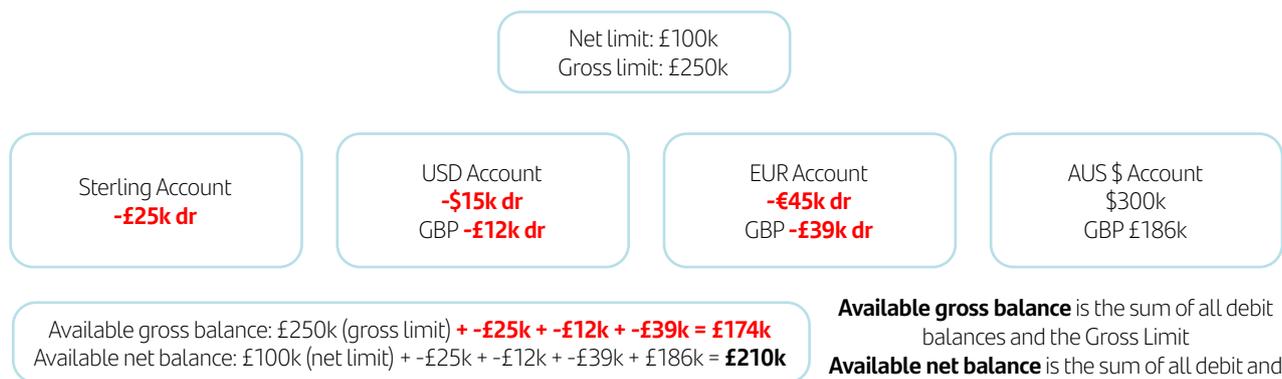
What should I do if I need more information or guidance?

We do not provide you with any advice about the CCO product. If you're in doubt or need guidance, we strongly recommend that you get independent professional advice from your solicitor, tax adviser, or accountant before making any decision.

Please note: we've given the information in this document for information purposes only. These materials are the property of Santander UK plc and its affiliates (the Bank) and may not be provided to third parties. Nothing in these materials constitutes investment, legal, tax or accounting advice.

How does CCO work?

Example for illustrative purposes only



Available gross balance is the sum of all debit balances and the Gross Limit
Available net balance is the sum of all debit and credit balances and the Net Limit

Cross Currency Overdraft Currencies

Under a CCO structure, you can borrow in the following currencies.

- Sterling
- Euro
- US dollar

The following are currencies that can be included in a CCO structure but where you cannot borrow against

- Australian dollar
- Canadian dollar
- Chinese renminbi
- Czech koruna
- Danish krone
- Hong Kong dollar
- Hungarian forint
- Israeli new shekel
- Japanese yen
- Mexican peso
- Moroccan dirham
- New Zealand dollar
- Norwegian krone
- Polish zloty
- Qatari riyal
- Romanian leu
- Saudi riyal
- Singapore dollar
- South African rand
- Swedish krona
- Swiss franc
- Thai bhat
- Turkish lira
- United Arab Emirates (UAE) dirham

ANY PROPERTY USED AS SECURITY, MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR CROSS CURRENCY OVERDRAFT STRUCTURE.

Applications are subject to status, terms and conditions. The right to decline any application is reserved.



STANDARDS of LENDING PRACTICE

Our commitments to our business customers and what we ask of you

As a lender we have committed to follow the Standards of Lending Practice for business customers. By adhering to the Standards we are demonstrating a commitment to ensuring that our customers are treated fairly.

- We will lend responsibly and treat your business fairly and reasonably at all times.
- We will ensure that all information we provide about our products and how they work is clear and understandable so that you can decide what is best for your business' needs.
- We will provide clear, upfront information on the documents required to support an application. Taking account of this will help to ensure that we can deal with your application efficiently.
- If we are unable to approve your application, we will explain why and provide a referral, where appropriate, to alternative sources of finance.
- If your application is declined you have the right to appeal the decision.
- We will set out any requirements/conditions we may have to support any borrowing in a clear, understandable way.
- We will confirm the conditions of your business borrowing in writing and highlight any covenants or material conditions attached to it.
- We will clearly set out the type and frequency of information we will require to monitor the business' performance.
- If your business experiences difficulties, we will seek to understand the overall circumstances to try and identify suitable and pragmatic solutions. Where appropriate, we will provide details of free debt advice.
- That the business maintains any commitments it has to us, for example providing information which we may reasonably request to monitor performance.
- Take care of any security information to help prevent fraud and protect your account(s).
- Tell us as soon as possible if someone is misusing confidential information.
- Carefully check your business' account statements/records to make sure they are accurate. If anything isn't right, please get in touch with us.

Please let us know if

- Your contact details change or there is a change in how your business is run, for example, ownership/directorships etc, so we can keep our records up to date.
- Your business may be about to experience, or is experiencing, difficulties. The sooner you do this, the more likely it is we'll be able to find a way to help you.

What we ask of you

- That, prior to making an application, you double check what information we will need to process an application. If you are unsure or have any questions, please contact us.
- That all information you provide to us during our relationship is accurate and timely.
- We ask you to think carefully about whether the business can afford the product applied for and to be open in your dealings with us.
- To make sure that you understand the terms and conditions associated with your product.
- That you seek professional advice, where this is appropriate for the needs of your business and the type of product you are applying for.