

# Santander Investment Hub - Fees, Charges & Interest rates

## What are the costs of using the Hub?

Santander ISA Managers Limited (SIM) and other companies involved with the investments available on the Hub take charges and fees to allow the Hub services to be offered.

We pride ourselves in being transparent and clear on what you pay and why. If anything is unclear, please contact us.

We list all of the costs in the table below.

Charge	Who charges the fee?
Advisory Service Fee	Santander UK plc
Platform Service Fee	SIM
Ongoing Charge Figure (OCF)	The OCF is taken from the fund by the underlying fund management companies. This isn't received by SIM or Santander UK plc.
Fund transaction costs	They are taken by different organisations such as stockbrokers used by the fund managers to buy and sell investments. These aren't received by SIM or Santander UK plc.

## What is the Advisory Service Fee?

The Advisory Service Fee is a one-off amount paid to Santander UK plc for the provision of advice.

If you get advice from a Santander Financial Planning Manager or Private Banker, there'll be an Advisory Service Fee, which will be explained to you as part of the advice process. You only pay the Advisory Service Fee if you go ahead with the recommendation and invest with us.

If you don't receive advice from a Santander Financial Planning Manager or Private Banker, then no Advisory Service Fee is charged.

## What is the Platform Service Fee?

The Platform Service Fee is based on the value of your investments held on the Hub. The Platform Service Fee is calculated daily and taken half yearly in arrears on, or just after, 1 May and 1 November each year. The amount will vary depending on the value of your investments held on the Hub. The Platform Service Fee is the same, irrespective of which fund is invested in. The actual amount you pay half yearly will vary as the value of your investments can change on a daily basis due to market movements, further investments and any withdrawals you make.

These half yearly fees allow SIM, as the Hub provider, to pay for the following costs:

- Payments to the technology supplier, who supports the systems that underpin the Hub.
- Payments to others for arranging the purchase and safe keeping of funds.
- The costs of running our Investments Centre Helpline.
- Other costs in operating and managing SIM, including support functions.

When calculating the Platform Service Fee, only the value of your investments in funds is taken into account. No fee is charged on any money held in your Cash Only Account or on any cash held in either the Stocks and Shares ISA or the Investment Account.

The Platform Service Fee is calculated and collected from each Investment Hub Account you hold (e.g. in your sole name and in joint names).

## How is the Platform Service Fee taken?

You can arrange for your Platform Service Fee to be paid by variable Direct Debit, when this service becomes available. If you haven't arranged a variable Direct Debit, or where that variable Direct Debit isn't set up in time or the fee isn't successfully collected, then the Platform Service Fee is taken in the following order:

- First from any cash held in the Cash Only Account.
- When this has run out, they're next taken from any cash in the Investment Accounts.
- If this isn't enough, we'll start to sell your investments from the Investment Account.
- If this isn't enough, they'll next be taken from any cash in the ISA.
- We'll then sell your investments from the ISA.

Please note that any money removed from your ISA will lose its tax-efficient status and, if replaced by you, will count towards your ISA limit in the current tax year. This Stocks and Shares ISA does not offer flexible features. This means that you can't replace any money withdrawn in the same tax year without it counting towards your annual ISA limit.

It's up to you how much you want to put into either the Cash Only Account, or cash in the Investment Account and/or the ISA, subject to annual ISA limit. Where you haven't arranged to pay charges by variable Direct Debit, the more you put in, the longer the cash will be able to pay for charges, and so fewer investments will need to be sold. However your total returns may be lower because the interest on cash may be less than the potential return on the investment. If you put in small amounts, or even zero,

there will be half yearly selling of your investments to pay for the charges, which may not be desirable, particularly if market values are low.

**The Platform Service Fee (expressed as annualised amounts) is:**

Value of Investment Hub	% p.a. on this slice
The first £50,000	0.35%
Above £50,000 to £500,000	0.20%
Above £500,000	0.10%

Note that the percentage fee applies to the amount in that band. So, for example if the total amount invested in funds is worth £200,000, the annualised total fee is calculated as follows:

	Value of Investment Hub	% p.a. on this slice	Platform Service Fee on this slice per year
Example	The first £50,000	0.35%	£175 (0.35% x £50,000)
	Above £50,000 to £500,000	0.20%	£300 (0.20% x £150,000)
	Above £500,000	0.10%	£0 (0.10% x £0)
	Total Platform Service Fee per year:		£475

In the example above, this is equivalent to a percentage charge of 0.24% each year (or 0.12% per half year).

### What is the Ongoing Charge Figure?

The Ongoing Charge Figure is an industry standard measure of the fund management and the operational charges that are applied to a fund by the fund manager and others. It's not taken by SIM. It's always shown as an annual figure, as a percentage, so you can compare the charges of different funds.

It's important that you know about the Ongoing Charge Figure for each fund you invest in – they vary by fund and can be found in the KIID or KID for each fund you'd like to buy. The different elements that make up the Ongoing Charge Figure are shown below:

- Payments to the manager of the fund, called an 'Annual Management Charge'.
- Payments to supporting companies who perform functions for the fund, such as auditors and the regulator.
- Other costs, depending on what the fund invests in.

The Ongoing Charge Figure is separate from the Platform Service Fee.

### What are Fund transaction costs?

There are also other costs associated with investing in funds which are important for you to be aware of. These are known as fund transaction costs and they:

- apply on top of the Ongoing Charge Figure;
- are costs that are directly related to the investment activities of buying and selling the underlying investments inside the fund;
- may be offset against the improved returns you may receive as a result of this buying and selling activity; and
- may also be triggered by new investors buying shares in the fund, or by investors leaving the fund. In these cases, the fund's performance may not be affected, as these types of transaction costs may be borne by those customers.

Details of the transaction costs may not always be available for all funds available through the Hub. Where they are available, these are shown as a percentage of the fund and are taken into account before the daily share prices are calculated.

### Are there any other charges?

There may be other charges associated with any funds in which you invest which aren't taken by SIM. For more information, please refer to the relevant Key Investor Information Document or Key Information Document for any funds in which you invest.

### What interest will I receive on cash?

Interest is calculated at a rate of 0.20% AER/gross (variable) on your Cash Only Account and cash in your Investment Account. Interest is calculated at a rate of 0.20% AER/tax-free (variable) on cash in your Stocks and Shares ISA. Please see the Santander Investment Hub – Key Features Document for information on the tax treatment of interest.

AER stands for Annual Equivalent Rate and shows what the interest rate would be if we paid interest and added it to your account each year. The gross rate is the interest rate we pay where no Income Tax has been deducted. The tax-free rate is the rate of interest payable where interest is exempt from Income Tax. Interest is calculated daily and paid monthly. Fees and interest rates can vary. Information correct as at 1 April 2019.

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