

## **Landbay Investor Terms & Conditions**

### 1. The Agreement

1.1 Our Agreement with you is constituted by these Terms and Conditions together with the Product Particulars. The Agreement sets out the terms on which we will provide the Landbay P2P Portfolio Service to you as a Landbay Investor. The service is provided to you by us, Landbay Partners Limited which is authorised and regulated by the Financial Conduct Authority with firm reference number: 719626.

1.2 If you wish to use the Landbay P2P Portfolio Service and become a Landbay Investor, you must comply with these Terms and Conditions.

1.3 Capitalised terms in these Terms and Conditions shall bear the meaning in the Glossary at the end.

### 2. How to become a Landbay Investor

2.1 You will be required to register as a Landbay Investor through the Landbay website. You will be required to provide personal details, a password and a PIN code so that we can identify you. Our use of your personal details is subject to the terms of our Privacy Policy.

2.2 If you wish to lend money through the Landbay P2P Portfolio Service, you should go to the 'Invest ' page on our website and select one of our Investment Products. The Investment Product which you select will determine how we will manage your Landbay P2P Portfolio and the terms on which you will lend to Landbay borrowers.

2.3 You must provide us with the account details of the bank account from which you intend to make and receive payments (your nominated Bank Account). Your Nominated Bank Account must be in the same name as the legal person who is registered with us and must be held with a UK bank. We may accept or reject applications to create an Online Landbay Account at our absolute discretion.

2.4 The Product Particulars will specify whether we will re-cycle interest and/or capital repayments you receive on your loans into new loans or have it paid back into the Client Account.

2.5 If we accept your application, we will provide you with your Online Landbay Account details.

2.6 If you want to add funds to your Landbay P2P Portfolio or invest cash balances into a new Investment Product, you can do this through your Online Landbay Account.

### 3. The Services

3.1 The Landbay P2P Portfolio Service is a loan management service which enables you to lend to Landbay borrowers via the Landbay platform. The money you provide will be used by Landbay borrowers to finance the acquisition of buy-to-let properties. Landbay borrowers may be existing owners wishing to re-finance their borrowings or prospective owners looking for a fresh loan.

3.2 The Product Particulars will set out any specific features of the Investment Product (for example, fixed-rate or tracker). Over time, we may change the parameters of the Product Particulars and Investment Products available as part of the Landbay P2P Portfolio Service.

3.3 The minimum value of a Landbay P2P Portfolio is £1.

3.4 If you wish to make subsequent investments, you can choose from the Investment Products available at that time. We will diversify your loans based on the total amount you invest pursuant to clause 8.3 below.

3.5 As part of the Landbay P2P Portfolio Service, we shall:

(a) enter into loan agreements with Landbay borrowers on your behalf as your agent on such terms as we see fit in line in accordance with the Product Particulars of your chosen Investment Product (the Standard Loan Terms for each Investment Product can be found on our website);

(b) manage your loans on a discretionary basis including re-allocating your loans and therefore diversifying your portfolio as we see fit in order to give you exposure to a wide range of Landbay borrowers as new opportunities arise;

(c) arrange for the Security Agent to take security on the Landbay borrower's assets and attend to the recovery of any debts owing; and

(d) report to you in accordance with clause 9.

#### 4. Your money

4.1 You will transfer your loan commitments into the Client Account and we will lend them to Landbay borrowers on your behalf. We will hold and operate the Client Account in accordance with the Financial Conduct Authority's rules relating to client money.

4.2 We will claim and account for all repayments, interest and other payments or entitlements received and due to you and pay them into the Client Account.

4.3 Capital and/or interest receipts will be re-cycled into new loans where this is a feature of the Investment Product you have chosen. The new loans will be subject to the same Product Particulars as the matured loan from which the interest was earned, except that the interest rate will be at the prevailing Investment Product rate at time of re-investment.

For example, if you have chosen an Investment Product which features a 3 year fixed loan term and recycled interest but not capital, you will generally receive the capital back from your new loans later than the initial loans.

4.4 If you have selected an Investment Product which allows for you to receive interest receipts into your Client Account, we will make such payment upon receipt. No interest will be payable on your money held in the Client Account, but a payment representative of standard interest rates (which may be zero) will be paid into the Landbay Reserve Fund.

4.5 Any fees, charges or taxes will be deducted before paying the net proceeds of any payments due to you into your Client Account.

4.6 In addition to interest received from borrowers, you may be entitled to other payments representing interest from us, for example if we have bought a loan for you that offers a lower interest rate than is available on the market, we may top the interest rate up to ensure your total return is in line with current market conditions.

4.7 After termination of the Agreement, we will repay all sums due to you into your Nominated Account. If we are unable to trace you to make such payment within 6 years we may pay your money to a registered charity of our choosing.

4.8 If you wish to change your Nominated Account, you may only do so to another account in your name with a credit institution based in the UK or such other jurisdiction as is

acceptable to us. You must provide us with such evidence as we require in order to verify the account details, such as bank statements.

4.9 All repayments will be made to Landbay Investors without deduction of income tax. It is your responsibility to account for any income tax and other personal taxes that may be payable to the appropriate authorities.

## 5. Term of this Agreement and loan duration

5.1 This Agreement shall come into effect on the date you register as a Landbay Investor and will continue until either party notifies the other in writing that you are to be de-registered. Such notification will take immediate effect, subject to the terms of this clause 5.

5.2 You will not be capable of de-registering at any time when you have an existing Landbay P2P Portfolio. Termination of this Agreement will not entitle you to withdraw from the loans to which you are committed unless an alternative lender can be found with whom to assign the loan agreement in your place in accordance with clause 11. We will attempt to find alternative investors if you instruct us to, but we cannot guarantee that we will be able to do so.

5.3 We will commit your money to loans on the Standard Loan Terms. The Standard Loan Terms may be amended from time to time and any changes will be updated on our website accordingly.

5.4 The Landbay borrower may be entitled to repay the entire loan early. Where any part of your Landbay P2P Portfolio is repaid into your Client Account early, we will notify you and seek your instructions unless you have already indicated that you want us to automatically re-cycle your capital and interest in the Product Particulars. In the absence of instructions, we will hold the proceeds in the Client Account.

5.5 The term of the loan may have started before the point that we lend your money to a Landbay borrower (usually because we are assigning the terms of an existing loan agreement on your behalf). We will not necessarily be able to enter into all of your Landbay P2P Portfolio loan agreements at the same time. Accordingly, whilst we will endeavour to ensure that your loan commitments last over the same period, a mis-match of commitment periods is likely and, on termination, you may receive your investment back over a period of time rather than in one lump sum.

5.6 We may, at any time and at our discretion, prevent you from applying to acquire new Investment Products (including through re-cycling interest or capital).

5.7 We may, where we believe it to be desirable for legal or regulatory reasons or upon giving you at least 30 days' written notice for any other objective reason, attempt to wind up your existing Landbay P2P Portfolio by assigning your loan commitments to alternative investors.

5.8 After all outstanding transactions have been completed and your Landbay Online Account has been closed, you will be able to request details of transactions on your account from us for a period of up to 6 years.

5.9 Termination will not affect accrued rights or any contractual provision intended to survive termination.

## 6. Complaints and Compensation

6.1 We endeavour to deliver a first-class service to our clients, but we recognise that there may be occasions when we fail to meet your expectations. If you have a complaint, you can follow our complaints-handling procedure, which is available at <https://www.landbay.co.uk/complaints-procedure>.

6.2 If the credit institution holding your money in the Client Account becomes insolvent, you may be able to claim compensation from the Financial Services Compensation Scheme. In such an event, we will inform you of the identity of the credit institution to enable you to pursue such claim. The Financial Services Compensation Scheme does not cover any liabilities owed to you directly by us. Further details, including the current maximum compensation amounts, are available from the Financial Services Compensation Scheme, whose address is 7th Floor, Lloyds Chambers, Portsoken Street, London, E1 8BN and telephone contact details are 0800 678 1100 or email [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk) or [www.fscs.org.uk](http://www.fscs.org.uk).

## 7. Our Charges

7.1 We may introduce charges for exceptional transactions provided that no such charges will be introduced retrospectively in relation to Investment Products that were created before such charges were notified to you. Our standard fees are all charged to Landbay borrowers rather than to you, however we may charge fees to Landbay Investors when they sell some or all of the loans in their Landbay P2P Portfolio before the expiry of the loan term.

7.2 Any charges due on your Landbay P2P Portfolio (including third party charges) may be deducted from the interest and repayments received into the Client Account and you authorise us to make such deduction from the money held in your account on a monthly basis.

7.3 If there are insufficient monies available to meet our charges, then we may at our discretion elect either: (a) to roll this up interest free to be deducted on a later occasion when sufficient monies may be available to cover such amount or (b) to, at our complete discretion, sell any of the loans in your portfolio in order to meet such charges.

7.4 Upon sale of some or all of your Landbay P2P Portfolio, we shall charge a fee which is the higher of:

(a) 0.2% of the capital value of the fixed rate loans being sold; or,

(b) in respect of a fixed rate Investment Product, a variable fee that reflects the difference between the rate of return of the fixed rate Investment Product being sold and the rate of return on an equivalent fixed rate Investment Product at the time of sale.

We would only apply such a charge where the available interest rate at the time of sale exceeds the rate on the Investment Product being sold. This charge will only apply to sales of Investment Products taken out after 10<sup>th</sup> December 2016. We may, at our absolute discretion, waive our right to collect such fees without prejudice to our ability to apply the charge in future.

## 8. Discretionary authority and Diversification Levels

8.1 By entering into the Agreement, you grant Landbay full authority to carry out the services described in clause 3 and to manage the loans in your Landbay P2P Portfolio at our sole discretion and without prior reference to you provided that such management activities are in accordance with the provisions of the Agreement.

8.2 You also agree that, in exceptional circumstances and in our absolute discretion, we (acting as your agent and on your behalf) may agree with the Landbay borrower to restructure the loan and amend the loan agreement.

8.3 Subject to a minimum total commitment of £1,000 under this Agreement, we shall use our reasonable endeavours to ensure that no more than one fifth of your total Landbay P2P Portfolio results in exposure to a single borrower. If your total commitment is less than £1,000, there shall be no restriction on the amount lent to any one Landbay borrower or in the way in which your money is allocated amongst Landbay borrowers.

8.4 We may at our discretion change our loan selection criteria.

#### 9. Portfolio valuations and reports

9.1 The value of the property against which each loan is secured will be determined prior to the time of lending, using prices supplied by a national firm of surveyors and peer-reviewed by a property consultancy. We will not generally obtain updated property values during the loan period on the basis that the Landbay borrowers will be required not to undertake any works that may diminish the value of the property under the loan agreement.

9.2 Your Online Landbay Account will show:

- (a) monthly repayment amounts broken down between interest and return of principal;
- (b) statements of repayments received to date, with interest receipts in respect of each tax year;
- (c) fees paid; and
- (d) the global principal sums outstanding.

#### 10. Intermediary fees and commissions

10.1 Should you choose to employ the services of an Intermediary, your Intermediary is responsible for disclosing to you their fees that relate to the advice or service that they gave to you in respect of your lending activities and your decision to create a Landbay P2P Portfolio.

10.2 Landbay may pay a commission to your Intermediary where we disclose this to you in advance by email.

#### 11. Withdrawing from loans and the assignment process.

11.1 On assignment the rights and interests of the previous Landbay Lender shall be assigned to the new Landbay Lender in consideration for the new Landbay Lender funding the payment of sums that are due to previous Landbay Lender at that date under the loan agreement. You grant us authority to enter into an assignment contract as your agent in order to effect such an assignment as either assignor or assignee.

11.2 If you request to withdraw your commitment to a Landbay P2P Portfolio before any money has been committed to a loan, you will not be liable to any fees or charges.

11.3 If you request to withdraw after some of your money has been committed, but some of your money has not, you will be entitled to reduce the scale of your commitment and the relevant fees and charges will be amended accordingly. You may also request us to assign such loans as comprise your scaled back Landbay P2P Portfolio.

11.4 If you request to withdraw after your money has been committed, we will attempt to realise your Portfolio by finding an investor or investors to assign your loans to. We cannot guarantee that we will be able to find such an investor and you will pay fees in accordance with clause 7.4.

11.6 Where you instruct us to realise the loans in any Landbay P2P Portfolio you should be aware that the loans may not be readily marketable and the entry into and timing of any assignment cannot be guaranteed. Similarly, if there are a substantial number of withdrawal requests, there may be a considerable delay in paying out the withdrawal request.

## 12. Loan Enforcement

12.1 The Landbay borrower's obligations under the loan agreement to you will be secured by a first legal charge over the Landbay borrower's property. Where we determine it necessary, we may also ask that a personal guarantee be provided by a director of the Landbay borrower. In the event that a Landbay borrower fails to make at least two payments when due or defaults in meeting any material obligations of the loan, we will take necessary steps to recover the debts in accordance with the Landbay Collection Policy, details of which are available to you upon request. This may include instructing the Security Agent to enforce the security for your benefit and with your authority. We may recover our reasonable costs from any amount recovered.

12.2 The Security Agent will hold a legal charge in respect of each particular loan to secure all monies due from that Landbay borrower to Landbay Investors participating in that loan only and it will not act as security in respect of any other loan entered into by Landbay Investors with the same Landbay borrower.

12.3 Where the Security Agent holds security from a Landbay borrower in respect of more than one property, the proceeds from each property will be applied in full to the loans relating to that property before being used to satisfy the claims of Landbay Investors who lent money to the Landbay borrower in respect of a different property.

12.4 The Security Agent shall be entitled to be repaid and reimbursed out of the proceeds of any recovery under any legal charge agreement and the Security Agent can take payment for all reasonable costs incurred in enforcing the security or in complying with any instructions from you in connection out of the proceeds of recovery. The Security Agent shall attempt to recover such payment directly from the relevant Landbay borrower in priority to taking it out of the proceeds of recovery owing to you.

12.5 In the event of a shortfall in Landbay borrower assets, we operate the Landbay Reserve Fund for the benefit of Landbay Investors. The Landbay Reserve Fund is financed from Landbay borrowers' fees, and a payment representative of standard available interest rates on the balances from Client Accounts held for Landbay Investors (regardless of the service those Landbay Investors have signed up for). The Landbay Reserve Fund is operated at our discretion and we are not obligated to use it to cover any given default, even if funds are available. In the event that the Landbay Reserve Fund does not cover your shortfall, you may suffer a loss. This means that you may not achieve the advertised rate of interest for the Investment Product through which you have lent money to Landbay borrowers.

## 13. Missed payments

13.1 You agree that in the event that the Landbay borrower misses payments or only partially pays the amount due to you, we will take, or will procure that the Security Agent takes, the administrative and/or enforcement steps set out in the Landbay Collections Policy.

13.2 We will keep you up to date with the progress of efforts to collect missed payments and to recover defaulted debt.

#### 14. Delegation

14.1 Any of our functions under the Agreement may be delegated to an Associate or competent (and if relevant, appropriately regulated) third party of our choosing to perform such functions. We may appoint other members of Landbay who are suitably qualified to provide advisory services to us in respect of your money and the loans entered into. We may also delegate to other members of Landbay who are suitably qualified. We will give you written notice of any such delegation which involves the exercise of our discretionary loan selection powers and will not, without your consent in writing, delegate the whole or substantially the whole of such powers to a third party. We will act in good faith and with due diligence in the selection, use and monitoring of third party agents and delegates. We will use reasonable skill and care in our selection, monitoring and use of agents.

14.2 Collections can be outsourced by us or the Security Agent to any third party.

#### 15. Conflicts of interest

15.1 This clause constitutes our conflicts policy. In the event that any conflicts arise which we could not effectively manage, we would not be in a position to provide our services to you.

15.2 You agree that we or any Associate may effect transactions for you in which we or an Associate has directly or indirectly a material interest or a relationship of any description with another party which involves or may involve a potential conflict with our duty to you. In particular, we or our Associates may lend to Landbay borrower (for example a Landbay Foundation Lender). We shall ensure that such transactions are effected on terms that are not less favourable to you than if the conflict or potential conflict of interest had not existed.

15.3 Subject to the terms of this conflicts policy neither we nor any of our Associates shall be required to account to you for any profit, commission or remuneration made or received from or by reason of such transactions. It is possible that the entities which you may lend to deal or co-invest with entities in which Landbay, its Associate or their clients have financial interest or to which Landbay or its Associate provide services. Such interests may include, without limitation, loans, equity investments, debt securities and/or our interest as a service provider. Dealings may include the provision of credit facilities on preferred or subordinated terms. Accordingly, we or any member of our group (including any Associate) may be entitled to gains, profits or fees from or in relation to such companies and entities.

#### 16. Variation and assignment

16.1 We may, at any time, change the terms of the Agreement by giving you written notice. Such amendment will take effect on the date specified in the written notice. For the avoidance of doubt, these changes may impact our fees and charges or the level of service provided. Any amendment that adversely affects you will not apply to sums already lent out.

16.2 Landbay may amend these terms if it believes it necessary in order to respond proportionally to changes in law and regulations.

16.3 We may also amend the terms of the Agreement to reflect changes to our systems, administrative processes and procedures, market practice or client requirements and to reflect other legitimate cost increases (or reductions) associated with providing your Landbay P2P Portfolio Service.

16.4 You will be given at least 30 days' notice in respect of any changes to this Agreement, unless the specific circumstances require a shorter or longer period. Any amendments will comply with any applicable laws and regulations.

## 17. Data protection

17.1 You will be required to provide personal details and a password to register as a Landbay Investor. These registration details and password are unique to your individual Online Landbay Account and are not transferable.

17.2 Your registration details and password are how we identify you and so you must keep them secure at all times. You are responsible for all information and activity on the platform by anyone using your details. If you authorise an agent, family member, employee or sub-contractor to use your Online Landbay Account, you will be responsible for their activity on the account. Any breach of security, loss, theft or unauthorised use of your security details must be notified to us immediately. We reserve the right not to act on your instructions where we suspect that the person logged into your Online Landbay Account is not you or we suspect illegal or fraudulent activity or unauthorised use.

17.3 You agree not to adapt or circumvent the systems in place in connection with the platform, nor access our systems other than by using the credentials assigned to you and by following the instructions that we have provided for that type of connection.

17.4 Our use of your data will be subject to our Privacy Policy.

## 18. Business Relief

Lending business is a qualifying trade for the purposes of Business Relief. If you are a corporate lender, the provision of loans by you through Landbay may enable your shareholders to benefit from Business Relief from inheritance tax. If you wish to use the Landbay P2P Portfolio Service to obtain Business Relief, it is your responsibility to ensure that your business as a whole qualifies for Business Relief.

## 19. Liability

19.1 You agree and acknowledge that we shall take on no liabilities, obligations or rights under the loan agreement as a result of our authority to act on your behalf and you agree that you will continue to be solely liable for and responsible for the rights and obligations under the loan agreement and any amended loan agreement.

19.2 We shall not be obliged to pay on to you loan repayments, interest or other sums due to you from Landbay borrowers or other third parties unless we have received them.

19.3 We do not provide tax or investment advice. If you are unsure about the tax or investment implications of the Landbay P2P Portfolio Service, you should seek advice from an appropriately-qualified adviser.

19.4 We shall not be responsible for any losses to the extent arising from any information provided by you being untrue, inaccurate or incomplete.

19.5 We shall not be liable for any consequential, indirect, special, incidental, punitive or exemplary loss, liability or cost which you may suffer or incur arising out of our acts or omissions regardless of how that loss, liability or cost is caused and regardless of whether it was foreseeable or not.

19.6 We will act in good faith and with due diligence in managing your loans in accordance with the Agreement. We accept responsibility for loss to you only to the extent that such loss is due to our negligence, wilful default or fraud. For the avoidance of doubt, nothing in these terms or the Agreement shall exclude or restrict any liability we have to you under any applicable law or regulation.

## 20. Interpretation

20.1 The Agreement shall be governed by, and construed in accordance with, the laws of England and Wales, and the appropriate Court of Law in England is to have non-exclusive jurisdiction in relation to all matters, claims and disputes arising out of or in connection with the Agreement. No other documentation or literature can be used as part of the Agreement.

20.2 It is not intended that any term contained in this Agreement shall be enforceable, whether by virtue of Contracts (Rights of Third Parties) Act 1999, common law or otherwise, by any person who is not a party to this Agreement save that third parties referred to in it, including the Security Agent, may rely on any authority granted to them under this Agreement, including the ability to accept our instructions to carry out functions on your behalf in accordance with this Agreement. Any group company of ours shall be entitled to enforce terms on our behalf.

20.3 If any part of the wording of these terms shall become or is declared to be illegal, invalid or unenforceable for any reason, such part or wording will be deleted and shall be divisible from the rest of these terms, which will continue in force.

20.4 Our failure to exercise or delay in exercising a right or remedy provided by these terms or by law does not constitute a waiver of other rights or remedies.

20.5 The Agreement is supplied in English, and we will only be required to communicate in English during the course of our relationship with you.

## 21. Notices

21.1 We may send any communications to you at the email address which you provide to us in the application form (or to any updated email address that you may notify to us in writing from time to time). Any original documents will be sent to the last postal address you have notified to us.

21.2 You may communicate with us by email at [support@landbay.co.uk](mailto:support@landbay.co.uk) . If we require information to be sent to us by post, this should be sent to: the address quoted from time to time at [www.landbay.co.uk](http://www.landbay.co.uk) . Notice sent by first class post to such address is deemed to have arrived on the second business Day after posting. Notice sent by email or hand delivered is deemed to be delivered immediately (or on the next business Day if sent after 5pm on a business Day or on a non-business Day). Our telephone number is: 020 3817 7700. Telephone calls may be recorded or monitored for our mutual protection.

## 22. Glossary

22.1 In this Agreement, unless the context otherwise requires:

**“Business Relief”** means Business Relief as provided for in Part V, Chapter I of the Inheritance Tax Act 1984;

**“Client Account”** means the client bank account held by Landbay with a credit institution into which you pay loan commitment monies pending investment and into which repayments and/ or interest on your loans are paid;

“**Intermediary**” means any adviser or other professional intermediary that may have directed you to the Landbay P2P Portfolio Service;

“**Investment Product**” means the investment products available on our website from time to time, through which you can lend to Landbay borrowers;

“**Landbay Investor**” means a person who lends monies to Landbay borrowers through the Landbay platform;

“**Landbay P2P Portfolio Service**” means the loan service provided by us to you in accordance with the Agreement;

“**Landbay P2P Portfolio**” means the loan portfolio you create through Landbay pursuant to this Agreement, comprising uninvested cash and the benefit of each loan agreement we have entered into on your behalf and subject to any fees, charges or taxes due on the portfolio;

“**Landbay Reserve Fund**” means a fund operated by Landbay for the protection of Landbay Investors, which may be distributed to such Landbay Investors in the event that a Landbay borrower fails to make repayments under the corresponding Loan Agreement which Landbay has entered into on behalf of that Landbay Investors;

“**Online Landbay Account**” means the secure online account we open for each Landbay Investors through which they can view details of their Landbay P2P Portfolio;

“**Product Particulars**” means the features of each Investment Product you have selected to invest in, as detailed in the "Invest" section of our website, and which form the basis on which you would like us to lend your money;

“**Security Agent**” means the person we appoint to take security over the assets of Landbay borrowers under secured loan agreements and at the date of the Agreement means Landbay Partners Limited;

“**Standard Diversification Level**” means the level of diversification of your Landbay P2P Portfolio across different loans that we will endeavour to ensure in accordance with clause 8.3;

“**Standard Loan Terms**” means the form of agreement set out on our website in respect of each loan product that we offer that we will enter into with Landbay borrowers on your behalf as your agent if you select that product.

**Landbay Property-Backed Innovative Finance ISA Terms & Conditions****1. Your Landbay Property-Backed Innovative Finance ISA account**

1.1 Landbay Partners Limited will be your ISA manager.

1.2 Your ISA will be an Innovative Finance ISA.

1.3 To open a Landbay Property-Backed Innovative Finance ISA account, we must be in receipt of a completed ISA application, together with

(a) your payment for any amount between our stated minimum investment up to the maximum annual subscription allowance for an Innovative Finance ISA; and/or

(b) the transfer of all or part of your existing ISA(s) from another ISA manager(s) in cash pursuant to clause 6, subject to our stated minimum investment.

1.4 You may subscribe to a Landbay Property-Backed Innovative Finance ISA in any tax year (i.e. period starting on 6 April of one year and ending 5 April of the following year) for which you are either resident in the United Kingdom; or, although non-resident in the United Kingdom, perform duties of a Crown employee which are treated as being performed in the United Kingdom, or are the spouse or civil partner of such a person.

1.5 When you open a Landbay Property-Backed Innovative Finance ISA account, we will make available to you a declaration that you can make to subscribe for a Landbay Property-Backed Innovative Finance ISA for subsequent tax years.

1.6 You are not eligible to apply if, in the same tax year as you are applying for this Landbay Property-Backed Innovative Finance ISA, you have already subscribed to an Innovative Finance ISA, or have already subscribed the maximum available allowance to a cash and/or stocks and shares ISA. These restrictions do not apply if you:

(a) are transferring an existing Innovative Finance ISA from another ISA provider to this Landbay Property-Backed Innovative Finance ISA (in circumstances where this is permitted under the ISA Regulations); or

(b) have already subscribed the maximum allowance to a cash and/or stocks and shares ISA and this is transferred to this Landbay Property-Backed Innovative Finance ISA.

1.7 Landbay Property-Backed Innovative Finance ISA investments will be, and must remain in, your beneficial ownership and may only be used as security for a loan in limited circumstances.

1.8 Any documents (such as loan agreements) evidencing your title to Landbay Property-Backed Innovative Finance ISA investments will be held by us or as we may direct in accordance with the ISA Regulations.

1.9 We will satisfy ourselves that any person to whom we delegate any of our functions or responsibilities under the terms agreed with you is competent to carry out those functions and responsibilities.

1.10 We will notify you if, by reason of any failure to satisfy the provisions of the ISA Regulations, an ISA has, or will, become void. If the failure cannot be corrected or if you fail to take any action requested by us in writing within a reasonable period of time, we may close your account by written notice.

1.11 If you do not place any money in your account during a tax year, subject to having already done so pursuant to clause 1.5, you will need to make a new declaration should you wish to subscribe to a Landbay Property-Backed Innovative Finance ISA in the following tax year.

1.12 We are obliged to confirm the true identity of all applicants and reserve the right to decline an application to open an account from you or any deposit.

## 2. Payments and withdrawals

2.1 An initial subscription must be of at least the minimum balance required for a Landbay P2P Portfolio.

2.3 The maximum you can subscribe to a Landbay Property-Backed Innovative Finance ISA is prescribed in the ISA Regulations and can be seen during the ISA account opening process. Transfers of ISAs from previous tax years will not affect the annual limit for new ISAs.

2.4 If you apply to place funds into your Landbay Property-Backed Innovative Finance ISA account that exceed your annual subscription limit, then, in the absence of specific instructions from you, the excess subscription will be transferred to and held in a non-ISA Landbay Classic Account until we receive your instructions.

2.5 You may make withdrawals from your Landbay Property-Backed Innovative Finance ISA account in accordance with clause 11 of the Landbay Lender Terms and Conditions and pursuant to clause 8.3.2.5 Funds which are withdrawn from your Landbay Property-Backed Innovative Finance ISA can be replaced within the same tax year and this will not affect your ISA subscription limit for that year.

## 3. Cancellation

3.1 If you decide you no longer want a Landbay Property-Backed Innovative Finance ISA, you will have the right to cancel your account within 14 calendar days of the date your account is opened. You can do this by phoning us on 0203 817 7700.

3.2 When your account is cancelled, any money credited to your account will be transferred to a non-ISA Landbay Classic Account, subject to the Landbay Lender Terms and Conditions.

## 4. Account closure

4.1 If you wish to close your Landbay Property-Backed Innovative Finance ISA account, we may allow you to do so online or you can phone us on 0203 817 7700.

4.2 If you have subscribed to your Landbay Property-Backed Innovative Finance ISA during a tax year and then close the account, otherwise than by transferring the money in your account to another ISA provider, you will not be able to subscribe to another Innovative Finance ISA with another ISA provider in the same tax year.

4.3 If you have opened and closed your Landbay Property-Backed Innovative Finance ISA during the same tax year by withdrawing cash, you will be able to re-open the account with us during the same tax year.

4.4 We may close your Landbay Property-Backed Innovative Finance ISA account by immediate written notice to you if we are directed to close it by a relevant Government body or authority.

4.5 If you or we close your Landbay Property-Backed Innovative Finance ISA account, in the absence of specific instructions from you, any money credited to your account will be transferred to and held in a non-ISA Landbay Classic Account until we receive your instructions.

## 5. Death or bankruptcy

5.1 In the event of your death, ISA tax exemptions will no longer apply. Any interest or gains in respect of investments that arise after the date of death to the date of closure will not be exempt from tax.

5.2 When we receive notification of your death we will close your Landbay Property-Backed Innovative Finance ISA account and will transfer it to a non-ISA Landbay Classic Account until we receive further instructions from a person with appropriate authority.

5.3 We may require a grant of probate or letters of administration before releasing any monies in your account to your executors.

5.4 Your Landbay Property-Backed Innovative Finance ISA account will be valued for probate as at the death and dealt with as instructed by your executors.

5.5 We may support the setting up of a Landbay Property-Backed Innovative Finance ISA based on additional permitted subscriptions for your spouse.

5.6 In event of your bankruptcy, ISA tax exemptions will no longer apply from the date on which a trustee is appointed to manage your estate.

5.7 When we receive notification of your bankruptcy we will close your Landbay Property-Backed Innovative Finance ISA account and will be transferred to a non-ISA Landbay Classic Account until we receive further instructions from a person with appropriate authority.

## 6. Transfers in

6.1 You may transfer money (but not investments) into your Landbay Property-Backed Innovative Finance ISA from an existing ISA in your name with another provider. An online transfer in form will need to be completed and then we will send you a transfer authority form to approve and sign. You are responsible for ensuring that the value of your current ISA stated in the transfer authority form is correct as at the time that you complete it. We can then arrange for the funds to be transferred to us from your existing ISA provider in accordance with your instructions and the ISA Regulations.

6.2 The transfer process will begin on the date on the transfer authority form or the date you stipulate for us to begin the transfer process, whichever is later. We will then send your request for the transfer of money in your existing ISA to your existing ISA provider together with confirmation that we will accept the ISA transfer, within 5 business Days of receiving your transfer authority form.

## 7. Internal transfer

Cash in your non-ISA account can be transferred into your Landbay Property-Backed Innovative Finance ISA account (subject to subscription limits), but your rights under existing loans cannot be transferred in and only new loans can be held in your Landbay Property-Backed Innovative Finance ISA account.

## 8. Transfers out

8.1 If you choose to transfer funds out from your Landbay Property-Backed Innovative Finance ISA to another ISA provider, you will be charged a fee in accordance with the rates published on our website from time to time.

8.2 You may transfer:

(a) all (but not part only) of the cash in your Landbay Property-Backed Innovative Finance ISA account in the current tax year; and

(b) all or part of any cash in your Landbay Property-Backed Innovative Finance ISA account from previous tax years, to another ISA provider in accordance with the ISA Regulations and this Agreement.

8.3 You may not transfer your rights under loans out of your Landbay Property-Backed Innovative Finance ISA. Your ability to sell loans we hold for you will be governed by clause 11 of the Landbay Investor Terms & Conditions.

8.4 You will need to contact the other ISA provider in order to arrange a transfer and you can choose the date funds are transferred, subject to us being allowed a reasonable period to implement that transfer. That reasonable period shall not exceed 30 days and shall be consistent with the requirements of the ISA Regulations. This period does not include the time it takes to sell any of the loans pursuant to clause 8.3.

## 9. ISA Regulations

9.1 The management of your Landbay Property-Backed Innovative Finance ISA account will be subject to the ISA Regulations. Any changes made by HMRC to the ISA Regulations that affect these terms will apply as soon as they come into effect.

9.2 We will inform you if your Landbay Property-Backed Innovative Finance ISA account has or will lose its tax exemption through any failure to meet the ISA Regulations. If an investment which was previously allowed under the ISA Regulations ceases to be allowed, Landbay will notify you and request your instruction to either sell the investment and reinvest the proceeds in the account, or transfer it out of the account.

## 10. Glossary

In this Agreement, unless the context otherwise requires:

“**ISA**” means Individual Savings Account;

“**ISA Regulations**” means the Individual Savings Account Regulations 1998 (as amended or replaced from time to time);

“Landbay Property-Backed Innovative Finance ISA” means the innovative finance ISA we provide pursuant to this agreement;

Capitalised terms defined in the Landbay Lender Terms and Conditions shall bear the same meaning in this Agreement.