

Zopa Principles

Last updated [1 December 2018](#)

Introduction

1. The Zopa lending platform directly matches investors with individuals who want to take out a loan.
2. We run the platform on the basis of the Zopa Principles which are our agreement with you on how you can use the platform, what you can expect from us when you do and what we expect from you.

Note: Loans made over the lending platform are governed by separate terms and conditions, which we call the [Loan Conditions](#).

The Principles don't form part of the Loan Conditions and if there are any differences between them, the wording in the [Loan Conditions](#) will apply.

Topics

Part A: Lending Platform Principles

1. [Who the Lending Platform Principles apply to](#)
2. [Registering with us](#)
3. [Contacting each other](#)
4. [Important regulatory points](#)
5. [Zopa's role](#)
6. [Accessing and using the platform](#)
7. [Identity checks and security](#)
8. [Changes we can make](#)
9. [If things go wrong](#)
10. [Ending this agreement](#)
11. [Things you should not do](#)
12. [Our liability to you](#)

13. [Other things you should know](#)
14. [Important information](#)

Part B: Investor Principles

1. [How to make an investment and how we look after your money](#)
2. [Loan agreements](#)
3. [Collecting repayments](#)
4. [Statements](#)
5. [Tax](#)
6. [Getting your money back](#)
7. [If the loan customer doesn't repay you](#)
8. [Vehicle finance loans](#)
9. [Ending your agreement](#)
10. [Innovative Finance ISA](#)

Part A: Lending Platform Principles

1. Who the Lending Platform Principles apply to

The Lending Platform Principles apply to everyone who uses the lending platform, including investors, loan customers and individuals to whom we've provided a personalised rate.

2. Registering with us

Before you can apply for a loan or start lending you must register with us to create your Zopa account. You can find out more about this process and who is [eligible for loans](#) and who is [eligible for investing](#).

Note: When you register we may have to verify your identity with a third-party provider of information. You can read more about this in our [Privacy Policy](#).

If you're registering as an individual investor we'll also have to verify the source of any funds you want to invest with us as well as your source of wealth.

3. Contacting each other

For us to contact you

We'll generally deliver account information to your Zopa account and notices by email or by post to the most recent address you've given us. You should check your account and email regularly and tell us as soon as possible if any of your contact details change. If you don't, we aren't responsible if you don't get information or notices from us.

For you to contact us

Post: Zopa Ltd., 1st Floor, Cottons Centre, Tooley Street, London, SE1 2QG

Email: contactus@zopa.com

Phone: Telephone:[020 7580 6060](tel:02075806060) for loans; Telephone:[020 7291 8331](tel:02072918331) for investments.

Note: We may record or monitor telephone calls for training and quality purposes. We may also record the numbers you call us from and may use them if we need to contact you urgently.

We'll always use English to communicate with you.

Our [Website Terms](#) and [Privacy Policy](#) and [Cookie Policy](#) also apply to you.

4. Important regulatory points

Loan customers

Cancellation: Unless you've taken out a loan you can cancel this agreement within 14 days beginning on the day after your account is opened by sending us an email to contactus@zopa.com. You'll still be able to withdraw from the loan in accordance with the [Loan Conditions](#).

Investors

Cancellation: Unless you've invested in a loan you can cancel this agreement within 14 days beginning on the day after your account is opened by sending us an email to contactus@zopa.com.

Financial Services Compensation Scheme: The money you invest by making loans to loan customers is at risk and not protected by the Financial Services Compensation Scheme. This means you'll have to bear any loss if a loan customer is unable to repay and we're unable to recover any outstanding amounts from them.

FCA regulation: If you are a lending business you can only invest in loans if you are authorised by the FCA. You must tell us immediately if your authorisation has been varied, limited, or qualified in any way, or cancelled, or you are subject to enforcement action.

5. Zopa's role

Loans customer

Things we need to do for you:

- Allocate your loan application to investors who are willing to lend to you.

Investors

Things we need to do for you:

- Match the funds you want to invest with suitable loan applications.
- Negotiate and execute on your behalf any agreements or deeds in relation to any loan application, e.g. the credit agreement between you and the loan customer.
- Transfer the benefit of all or part of any of your loans to another investor when you want to sell a loan to another investor through the secondary market, to us, or to a third party.
- Anything else we reasonably consider necessary to negotiate, administer and manage your loans, e.g. collections activity on missed repayments.

Note: The 'secondary market' allows investors to cash out some or all of their loans if they need access to their money before their loan customers are due to repay them. It doesn't apply to all loans and we charge a fee. See [Principle 6 of the Principles for Investors](#) for more information.

6. Accessing and using the platform

The lending platform is always open, unless we're making changes to our systems or limiting access for technical, security, legal or regulatory reasons or due to unusual events or circumstances beyond our reasonable control (for example, if a service provider stops providing services for any reason).

The fact that the lending platform is always open does not mean that you'll always be able to invest or borrow; e.g. there may not be enough investors seeking to lend or enough borrowers seeking loans at any one time.

Note: You can find more information about how the lending platform works in our [FAQs](#)

We'll take reasonable skill and care to ensure that the lending platform is safe and secure for you to use and that it doesn't contain viruses or other damaging property, for example by incorporating security features into it. We can't guarantee, however, that this will be the case or that no damage will occur to your data, software, computer, mobile device or other digital content.

7. Identity checks and security

We need to be sure that we're dealing with you before we allow access to the information we hold for you on the lending platform or do anything for you such as investing, reinvesting, borrowing or making early repayments. We'll do this by requiring you to use your security details, which you set when you register and can change at any time.

As long as the correct security details are used we'll assume we're dealing with you and that we're authorised to take action. We may add other ways of checking your identity in the future.

Note: 'Security details' can be passwords, security codes, memorable data, biometric data (such as a fingerprint) or any other information or details that you have set up with us.

We'll do all we reasonably can to keep the lending platform secure and you must also help to prevent unauthorised access by keeping your security details safe.

Note: To protect your security, don't:

- store your security details on your computer or other device in a way that enables others to impersonate you;
- tell anyone your security details (nor any codes that protect any access to the nominated bank account details you provided when you opened your account);
- forget to change passwords on a regular basis;
- write your security details down without disguising them.

You must tell us as soon as you become aware that someone else knows your security details or that your account is being misused. Unless we can show that you have given someone your security details or acted fraudulently, we'll be responsible for any loss or damage resulting from any unauthorised access to

your account or any unauthorised instructions. If we reasonably believe that you were aware that someone else knew your security details or that your account was being misused we will only be responsible for any loss or damage up to the point you became aware.

If we're concerned about potential unauthorised access or we reasonably suspect illegal or fraudulent activity, we may block access to the lending platform or refuse to act on any instruction until we've investigated the matter.

8. Changes we can make

We'll make changes to the Principles that we reasonably believe are not disadvantageous to you, or to respond proportionately to:

- changes in general law or decisions or recommendations made by a court, any regulator or similar organisation or ombudsman we have to follow (e.g., the Financial Ombudsman Service);
- changes in regulatory requirements;
- new industry guidance and codes of practice;
- higher or lower costs in providing the lending platform; or
- changes to the functionality of the platform or the way we operate it.

We may also make changes without giving a reason but we'll explain the impact of the change and you'll always be able to end the service without charge before the change takes effect. We need this flexibility so that we can manage our services over a long period of time.

If the change is unfavourable to you, we'll always try to give you at least 30 days' notice before making the change. If the change is favourable to you, we'll tell you within 30 days of the change being made. You can close your account if you don't want to accept the change (in accordance with [Principle 10](#) below) but if you continue to use the lending platform after we've given you notice you'll be deemed to have accepted it.

9. If things go wrong

When we'll be responsible for foreseeable loss or damage to you

- If we (or our employees) breach any of the Principles;
- If we (or our employees) act negligently or fraudulently; or

- If we fail to use reasonable skill and care to ensure that the lending platform is safe and secure and does not contain viruses or other damaging property.

When you'll be responsible for foreseeable loss or damage to us

- If you breach any of the Principles; or
- If you act fraudulently.

If you're temporarily outside the UK and want to use the lending platform we won't be liable to you if it does not comply with any local laws.

If you owe us or other Zopa customers money and you haven't paid it back when you should have done, we can use any money you have in any accounts with us to pay off some or all of the money you owe us or other Zopa customers. We can do this without telling you beforehand.

10. Ending this agreement

This agreement has no minimum duration and you can tell us that you want to end it at any time. If we want to end it we'll give you at least 30 days' notice.

We can also end the agreement without telling you in advance if:

- you've seriously or persistently broken this agreement;
- you're, or we reasonably suspect you may be, using or allowing someone else to use the lending platform illegally or fraudulently;
- you weren't entitled to register or are no longer entitled to be registered;
- we reasonably consider that you have placed us in a position where we might break a law, regulation, code, court order or other duty, requirement or obligation or we may be exposed to action or censure from any government, regulator or law enforcement agency;
- there has been, or we suspect, a breach of security or misuse of your account, security details or a payment device;
- if you're an investor and you have no active loans, no money in your account and there has been no activity within your account within a 6-month period;
- if you're a loan customer, you've got no outstanding loans and there's been no activity in your account within a 6-month period;

- we reasonably believe that you've intentionally provided us with any false information.

Note: You won't be able to take new loans or make new investments after you've told us you want to end the agreement or after the end of the notice period but the agreement will only end, if you're a loan customer, when you've repaid everything you owe under any loan agreements and, if you're an investor, when all funds you've placed on the lending platform for investment have been withdrawn or repaid by us to your nominated bank account.

11. Things you should not do

You mustn't use the lending platform for anything other than accessing and managing your accounts. In particular, you mustn't:

- use it for anything illegal or inconsistent with the Zopa Principles;
- seek to copy, reproduce, modify or tamper with it in any way;
- use it on a device or computer which contains or is vulnerable to viruses or other damaging properties or which does not have up to date anti-virus, anti-spyware software, firewall and security patches installed on it;
- use it in a way that could damage or affect our systems or security or interfere with other users, or restrict or inhibit anyone else's use of the lending platform;
- collect data from us or our systems or attempt to decipher any transmissions to or from the servers running any of the functions provided by our services;
- make copies, modify, reproduce, transmit, alter or distribute all or part of our website or any part of it or any materials or information contained on it;
- send any communication to any person to lend or borrow outside the lending platform or to promote or market any goods or services for your own financial benefit;
- upload, publish or display any information on or through our website that breaches the rights of any third party or contains any libellous, defamatory or otherwise unlawful material.

12. Our liability to you

We'll be liable to you for any foreseeable loss or damage suffered by you as a result of:

- any breach of the Principles by us; and
- our negligence, wilful default or fraud by us or our employees.

If you're a lending business, unless we agree with you otherwise, our liability to you under this Principle 12 will not exceed the total amount of revenue we've earned from the loans you've made via the lending platform.

We won't be liable to you for any loss or damage which is caused by circumstances beyond our control.

13. Other things you should know

We may transfer our rights and our obligations under the Principles to someone else. We will tell you if we do this. You can't transfer any of your rights and obligations under the Principles to anyone else.

The Principles and our dealings with you before you enter into this agreement are governed in accordance with the law of the part of the UK where you are resident. The courts of that part of the UK will have exclusive jurisdiction over any disputes.

We may sometimes decide not to exercise some of our rights (for example, we might give you some extra time to meet one of your obligations). Even if we do this, we'll still be able to apply our rights strictly in the future.

If any Principle is not capable of being enforced against you, this won't affect any of the other Principles.

Nothing in the Principles will give any person, other than you and us (or any person to whom we have transferred our rights under your loan agreement), any rights under your agreement.

14. Important information

How we're regulated

Zopa Limited is authorised and regulated by the Financial Conduct Authority and entered on the Financial Services Register ([718925](#)).

Zopa Limited ([05197592](#)) is incorporated in England & Wales and has its registered office at: 1st Floor, Cottons Centre, Tooley Street, London, SE1 2QG.

Privacy

Your privacy is important to us.

Our [Privacy Policy](#) explains how we collect, use, disclose, transfer, and store your information and sets out your rights to your information.

Trademarks

"ZOPA" and our logo are registered trademarks.

How you can make a complaint

If you've a complaint, please contact us using the details in [Principle 3](#). We'll send you a written acknowledgement of your complaint as soon as possible. Where possible, we'll send you a Summary Resolution Communication within three working days. If we can't respond within three working days we'll keep you informed of our progress until your complaint has been resolved.

If within 8 weeks of receiving your complaint we're still not able to resolve the matter, we will send you a final response. If you're still dissatisfied you may be entitled to refer your complaint to the Financial Ombudsman Service at:

Exchange Tower, London E14 9SR

Telephone: [0800 023 4567](tel:08000234567) or [0300 123 9123](tel:03001239123)

complaint.info@financial-ombudsman.org.uk

www.financial-ombudsman.org.uk

You may also have the option to refer your complaint to the Financial Ombudsman Service using the Online Dispute Resolution platform. The platform has been established by the European Commission to provide an online tool for consumers to resolve disputes about goods and services purchased online. The platform can be found at ec.europa.eu/consumers/odr/.

If you want to make a complaint about Zopa Repayment Protection (which we've not sold since 2008) you should follow the complaints procedure outlined in the policy documentation. If we receive a complaint about this policy, we'll refer you to the product provider.

Taxes

You may have to pay other taxes or costs in relation to this agreement that are not imposed by us or paid through us.

Part B: Investor Principles

1. How to make an investment and how we look after your money

To make an investment in a loan, you need to transfer the amount you want to lend to the client account we have with a major high street bank which we use for all Zopa customers. You can also send a cheque payable to Zopa Ltd., and addressed to Zopa Ltd., 1st Floor Cottons Centre, 47-49 Tooley Street, London SE1 2QG.

Your funds will show as a credit in your holding account which you can see on your Zopa dashboard. If you selected a product you'd like to invest in before making payment your funds will be automatically allocated to it; otherwise you can make your selection after your funds have been transferred.

You can start investing provided you've funded your product with the minimum initial investment amount required. The amounts you wish to invest will be queued until they are matched by the lending platform with suitable loan applications or with loans being sold by other investors via the secondary market. We can't guarantee that we'll always find a match.

Note: You can find more information about our products and how you can start investing in our [FAQs](#).

We hold all amounts you've transferred to us but haven't been lent to borrowers and all amounts we've collected for you from borrowers in our client account, which we have with a major high street bank. All funds in this account are protected by internal controls and accounting procedures we've put in place. The funds we hold in the client account on your behalf belong to you and they're 'segregated' which means that they can't be used for any amounts we owe to anyone else.

You can log in to your Zopa dashboard at any time to see how much money we're holding for you and how much you've lent.

Note: We'll use reasonable skill in selecting the bank holding Zopa customers' money but won't be responsible for its acts and omissions. If it fails and it can't repay everything it owes, you may be able to claim under the Financial Services Compensation Scheme.

2. Loan agreements

Loan agreements will be made automatically when we've matched your funds with a loan customer (unless you're a lending business when the loan agreement will be made when the loan customer signs the loan agreement). If you're buying a loan, you'll become the new lender under the existing agreement. You may enter into more than one loan agreement with a single borrower but the

maximum that you'll lend to a single borrower will be 1% of the total amount you've invested.

Once the loan agreement has been formed you won't be able to change its terms or withdraw from it. You accept that this is so even if you had intended to cancel your investment but failed to do so or your message to us to cancel was not received and processed by us before your funds were matched and the resulting loan agreement formed.

When a loan agreement is formed, we record details of the loan on your Zopa loan book. Your unique Zopa identification number will appear in each loan agreement, but your identity will not be disclosed to any other Zopa customer, unless it's necessary to do so as part of court or other enforcement proceedings for recovery of sums due under any loan agreement or for any reason set out in our privacy policy.

All loans are repayable by monthly instalments which we collect by Direct Debit (unless we've made a different arrangement with the loan customer). We aim to show all repayments on your Zopa dashboard on the working day we receive them and not later than the end of the next working day.

We can't guarantee that a loan customer will repay their loan.

3. Collecting repayments

You can find details of all your loans by logging into your Zopa dashboard. You can:

- transfer amounts received to the nominated bank account that you selected when you opened your account; or
- re-invest them (with other amounts already available for reinvestment) by logging in to your Zopa dashboard and turning on the reinvest function to automatically make repayments received available for investment.

If we think it's reasonable to do so, we may allow a loan customer to change the monthly repayment date, which may result in a short extension of the loan.

If a loan is repaid early, in whole or in part, we'll allocate all repaid funds to the contributing investors on a pro-rata basis.

You can check the status of repayments for each of your loan agreements by logging into your Zopa dashboard at any time.

4. Statements

We'll make statements available to you annually through your Zopa dashboard. You can ask us for additional or paper statements but we'll charge a fee for this.

5. Tax

You agree it's your responsibility to account for any tax imposed on you as a result of using the lending platform, including on any interest you earn. We'll not deduct any tax from any interest you receive and/or any proceeds of sale of any loan agreement.

We'll provide you with an annual statement of interest earned for tax purposes, which we'll place on your Zopa dashboard.

6. Getting your money back

If you need to access money you've lent before it's due to be repaid, you can use the tool on your Zopa dashboard to sell loans within your loan book to the secondary market unless the loan customers are not up to date with their repayments.

We'll attempt to sell the amount you want to cash out by making a match with investors with funds they want to invest during the period specified (if any) on the screen at the time you make your request. If we can make a match, we'll pay into your account the amount of the loan that's left to pay but you won't be paid any interest on the loan for that month (or any future interest that would have been due). All of your rights in the relevant loan will be transferred to the new investor, (including your share of the ownership of the vehicle in the case of a vehicle finance loan)

Note: The market rate adjustment fee

There may be occasions when the projected returns on the loans you want to sell are lower than the returns currently available to investors for loans which have a similar expected performance to yours. To encourage investors to buy your loan if this happens, we'll work out an additional amount (the market rate adjustment fee), equal to the additional return they would expect to earn, and deduct it from the amount the new investor must pay you.

Example - where there's £10 left to pay on the loan you want to sell.

- If the interest rate on your loan is the same as the rate an investor would be paid on a new loan and all repayments have been made on time, the projected return for your loan is likely to be the same, so the purchasing investor may pay you £10.
- If the interest rate on your loan is lower than the rate an investor would be paid on a new loan and not all repayments have been made on time, the projected return for your loan is likely to be less, so the purchasing investor may pay you £9.80. Effectively the other 20p is treated as an upfront interest payment to the investor buying your loan.

We'll also charge you an administrative fee each time you successfully sell a loan to the secondary market, which we'll deduct from the amount you're paid for the loan. We'll tell you the fee before you decide whether you want to sell your loan.

You can cancel your request in relation to any loan that has not yet been sold to a new investor.

We can't guarantee that we'll find a match for you. Some of your loans may be ineligible for sale, or other investors may not be available to buy them. If, after multiple attempts, we're unable to sell them we'll let you know we're taking the loans off the market, and you can choose to wait until they mature, or try to sell your eligible loans at a later date.

7. If the loan customer doesn't repay you

We'll do all we can to collect missed payments and will provide you with updates as appropriate. If a loan customer defaults on their loan, we may also use specialist debt collection lawyers or a debt collections agency to assist with the collections process.

If a loan customer...

- Defaults on their loan
- Dies
- Becomes insolvent, bankrupt or makes a voluntary arrangement with (or agrees a trust deed for) people to whom they owe money; or
- (in the case of a vehicle finance loan) terminates their loan agreement and ownership of the vehicle doesn't transfer to them.

We'll do one or more of the following...

- If the loan is covered by the Zopa Safeguard Trust (this only applies if you're an individual investor and doesn't cover all products), you may be able to recover your money and we'll make a claim for the amount outstanding under the loan on your behalf;
- If the loan is not covered by the Trust or your claim is unsuccessful, we, acting as your agent, will take action to recover the outstanding debt from the loan customer;
- (in the case of a vehicle finance loan) repossess and dispose of the vehicle

And pay out any sums recovered as follows...

- Any sums relating to a claim which was accepted in full will be paid to the Trust;
- Any sums relating to a claim which was declined in whole or in part will be paid to you either fully or on a pro rata basis, taking into account any payment made to you by the Trust;
- If the loan was not covered by the Trust, we'll pay all sums recovered to you;
- (in the case of a vehicle finance loan) pay the sale proceeds to you and the other investors in the loan on a pro rata basis.

We may deduct our reasonable recovery costs, which will never be more than 35% of the amount we recover.

Note: A loan customer "defaults" when they fail to make the full amount of four repayments if they have a cash loan and two repayments if they have a vehicle finance loan.

The Zopa Safeguard Trust was established to provide protection to non-lending business investors should a loan customer fail to repay their loan. It covers loans taken out before 1 December 2017.

8. Vehicle finance loans

If the loan agreement relates to vehicle finance, we'll purchase the vehicle on your behalf (if required by the agreement) and register the vehicle details and financial interest on the HPI index. Where there is more than one investor you'll own a share that's proportionate to the amount you lent relative to the other investors.

You'll continue to own the vehicle (or a share of it) until:

- ownership transfers to the loan customer in accordance with the loan agreement;
- you sell your share of the loan to the secondary market; or
- your share of the ownership of the vehicle is transferred to us.

You mustn't try to transfer or sell your share of the ownership of the vehicle.

9. Ending your agreement

If you tell us you want to close your account and end this agreement and your account holds loans which we cannot sell to the secondary market (e.g. because the borrower is in arrears or has defaulted) or it has a balance of a fraction of a penny, which means we cannot transfer it to your nominated account, you agree to transfer the loans and fractional balance to us. We will pay away any balances and sums recovered to a charity of our choice.

10. Innovative Finance ISA

If you've made a successful application for our Innovative Finance ISA, the additional terms in this Principle 10 will apply to you.

Note: See our [ISA page for more information](#).

Paying in to your ISA

You can only pay cash into your ISA, which can be the repayments and income you receive on any loans, as well as uninvested cash. Any amounts that are credited to your ISA holding account are automatically added (this is also called "making a subscription" to your ISA).

You can also transfer in cash from another existing ISA if we agree to accept this.

You don't have to make a subscription in every tax year but if you don't, you'll need to go through another application process before you can start to make subscriptions again.

The law sets an overall limit on the subscriptions which you can add to an ISA account in a tax year. This limit sometimes changes so please visit www.gov.uk/individual-savings-accounts/overview for more information.

If you try to make a subscription which would exceed the maximum amount you can subscribe to your Zopa ISA for the current tax year, we'll contact you to let you know that you've gone above the annual allowance and what your options are. If

we can't contact you after making reasonable efforts to do so, we'll send the money back to your nominated bank account.

Transferring your ISA

You've the right to transfer your ISA to another ISA manager at any time (if they agree to accept the transfer).

Note: See our ISA page for details on [how we'll process your transfer request](#).

You must transfer all current year subscriptions (including any loans you invested the subscriptions in and any interest earned on the loans), though subscriptions for previous tax years can be transferred in whole or in part.

We make all transfers in cash, so if you ask us to transfer your current tax year subscriptions you agree that we'll deal with any loans you've invested your subscriptions in as follows:

- We'll move any loans that are in arrears or default to a non-ISA product you have with us; and
- We'll sell any other loans to the secondary market. As we have to make the transfer within 30 days of receiving your request, if we haven't been able to sell a loan within that time we'll move the loan to a non-ISA product you have with us.

Note: If we've had to remove loans from your ISA they'll still count as a subscription to your ISA and they'll lose their ISA tax benefits and you may have to pay tax on any interest you receive.

You can transfer previous years' subscriptions provided they are held as cash.

Withdrawals

You can also withdraw cash from your ISA. We'll do our best to send funds to you as soon as possible and no later than 7 days from your request.

If you want to withdraw any money that is lent under a loan agreement, you'll have to sell the loan first, using the secondary market.

We offer a flexible ISA, so if you make a withdrawal, you can replace the amounts withdrawn without using up any more of your annual ISA subscription limit, as long as you do so in the same tax year.

Cancelling your ISA

You can cancel your Zopa ISA within 14 days beginning on the day after your successful application. You can do this by sending us an email to contactus@zopa.com. This won't affect any other parts of our agreement with you.

If you cancel within this period, any subscriptions you've made so far won't count towards your annual subscription limit for that tax year. You can also open a new ISA in that tax year with any other provider.

You'll lose your right to cancel your Zopa ISA if you've entered into any loan agreements in respect of any of your subscriptions or transferred in any previous years' subscriptions during this 14-day period.

If you close your ISA after the 14-day period, you'll be treated as having subscribed to an ISA and you'll not be able to subscribe to another innovative finance ISA with another ISA manager in the current tax year, unless you request us to transfer all of your current tax year subscriptions.

Closing your ISA

You can close your ISA at any time by sending us an email to contactus@zopa.com. You must withdraw or transfer out any ISA funds within your ISA before it can be closed.

We may close your ISA immediately for any of the following reasons:

- you've told us that you're closing your Zopa account;
- your ISA doesn't meet any of the regulatory requirements and is void;
- you die;
- you're made bankrupt; or
- for any of the reasons set out in [Principle 10 of the Lending Platform Principles](#).

If we close your ISA, we may (as we reasonably consider appropriate in the circumstances) do any of the following:

- transfer all your ISA funds from your ISA to any other product you have with us (and if you don't have one, we'll open one for you for this purpose);
- continue to collect repayments in respect of your outstanding loan agreements and return them to any other product you have with us;

- transfer any non-performing loan to any other product you have with us;
- cash out your existing loan agreements using the secondary market and transfer the proceeds, as well as any other ISA funds, to your nominated bank account; or
- deduct any sums due to us or to cover any tax liability.

Repair and voiding

HMRC may treat an ISA as invalid if it breaches the Individual Savings Account Regulations 1998. Sometimes it's possible to 'repair' the ISA, but if it isn't, it must be voided.

We'll notify you if, by reason of any failure to satisfy the provisions of the Regulations, your ISA has, or will become void.

If we reasonably believe that we need to repair your ISA or treat it or any subscription as void, we may:

- transfer any ISA funds and loan agreements within your ISA to any other product you have with us or to your nominated bank account; or
- close your ISA.

Other information about your ISA

Loan agreements held through your ISA must be held beneficially by you. You must not use them as security against any other loan.

Any invalid subscriptions made to your ISA may be subject to UK income tax. It's your responsibility to deal with any tax liability.

We can delegate any of our functions and responsibilities under this agreement to another person but only if we consider them to be competent to carry out those functions and responsibilities.

Changes to the Zopa Principles

We'll regularly review the Zopa Principles. If we make any changes, we'll post the updates on this page.

Recent updates:

1 December 2018: We added [details of how our company is now structured and regulated](#) now that we have a banking licence.

21 May 2018: The Principles have been rewritten to make them easier to read.