

Innovative Finance ISA Terms and Conditions

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Contents

1.	Introduction	2
2.	Definitions	2
3.	Lending Works Platform.....	4
4.	Our Role.....	5
5.	Our Agreement	5
6.	Eligibility Criteria.....	6
7.	Investor Declaration	7
8.	Appointment and Authority.....	8
9.	Subscriptions and Paying In Funds.....	8
10.	Future Subscriptions	10
11.	Tax Benefits	11
12.	Transferring your ISA to Us.....	11
13.	Transferring our ISA to Another ISA Manager	13
14.	Lend Using your ISA Account	15
15.	Client Money	15
16.	Fees	15
17.	Withdrawal from your ISA	16
18.	Cancellation and Termination.....	16
19.	Residing Outside the UK.....	19
20.	Variation of this Agreement.....	20
21.	Beneficial Ownership	21
22.	Invalid and Void Subscriptions	21
23.	Failure to Comply with the ISA Rules.....	22
24.	Bankruptcy	22
25.	Death of an ISA Investor	22
26.	Use of your Personal Information.....	23
27.	HMRC Reporting.....	23
28.	Liability	23
29.	Back-up Service Provider.....	24
30.	Complaints	24
31.	Miscellaneous	24

1. INTRODUCTION

- 1.1 These terms and conditions (“**ISA Terms and Conditions**”) set out:
- (a) the process for opening an Innovative Finance Individual Savings Account (“**ISA Account**”) on the Lending Works online lending platform (“**Lending Works Platform**”);
 - (b) how you can access, use and manage your ISA Account; and
 - (c) our relationship (as an ISA Manager) with you (as an ISA Investor) in respect of your ISA Account.
- 1.2 Lending Works Limited is a company incorporated and registered in England with company registration number 8302549 whose registered office is at 60 Gray's Inn Road, London, WC1X 8AQ (“**Lending Works**”).
- 1.3 Lending Works is authorised and regulated by the Financial Conduct Authority under firm reference number 723151 and is registered with the Information Commissioner's Office under registration number ZA002001.
- 1.4 Lending Works operates the Lending Works Platform through its Website for the purposes of matching those who wish to lend with those who wish to borrow, and services connected with lending and borrowing via the Lending Works Platform.
- 1.5 Lending Works is not covered by the Financial Services Compensation Scheme (FSCS).
- 1.6 Should you have any questions about these ISA Terms and Conditions, or wish to contact us for any reason whatsoever, please contact us via the contact details set out on the Website.

2. DEFINITIONS

- 2.1 In these ISA Terms and Conditions the following words shall, unless the context requires otherwise, have the following meanings:

“**Agreement**” means these ISA Terms and Conditions;

“**Allocated Funds**” has the meaning given in clause 9.19 of the Lender Platform Terms and Conditions;

“**Classic Account**” means the designated account within your Lending Works Account which is not subject to or has the benefit of an ISA wrapper or any other tax saving arrangement;

“**Connected Person**” means your spouse or civil partner;

“**Corresponding ISA Income**” means any income or profit (including interest) you earn on your Current Year ISA Subscriptions;

“**Current Year ISA Subscriptions**” has the meaning set out in section 9 of these ISA Terms and Conditions;

“**HMRC**” means Her Majesty’s Revenue and Customs;

“**Innovative Finance ISA**” means a tax-efficient scheme of investment in relation to peer-to-peer loan agreements which is set out and managed by the ISA Manager in accordance with ISA Rules and as set out in these ISA Terms and Conditions;

“**ISA**” means Individual Savings Account as set out in the Individual Savings Account Regulations 1998;

“**ISA Account**” means the designated account within your Lending Works Account which is subject to or has the benefit of an ISA wrapper as permitted under ISA Rules;

“**ISA Category**” means, as set out in the ISA Rules, each of the following types of ISA: Cash ISA, Stocks and Shares ISA and Innovative Finance ISA;

“**ISA Funds**” means funds held in an ISA with us (in your ISA Account including funds placed into and/or held in any Current Year ISA Subscriptions, any Corresponding ISA Income and/or Previous Years ISA Subscriptions (which includes funds in your ISA Account Wallet, held in a Lending Offer and on Loan)) or in an ISA account with another ISA Manager;

“**ISA Investor**” means a Member who has approval by Lending Works to register, join, access and use the ISA Account section of their Lending Works Account pursuant to and in accordance with these ISA Terms and Conditions;

“**ISA Manager**” means a firm approved by HMRC to manage ISAs;

“**ISA Rules**” means the ISA Regulations 1998 (as amended from time to time), all HMRC rules and guidance in relations to ISAs including but not limited to the HMRC Guidance Notes for ISA Managers and any FCA rules and guidance in relation to ISAs;

“**ISA Terms and Conditions**” means these ISA Terms and Conditions as defined in clause 1.1; any reference to this ‘agreement’ is a reference to these ISA Terms and Conditions;

“**Lending Offer**” has the meaning given in clause 9.5 of the Lender Platform Terms and Conditions;

“**Lending Works Account**” means the section of the Website provided to each Member for the purposes of using the Lending Works Platform, and which can only be accessed by the relevant Member using their own username and password;

“**Lending Works Platform**” has the meaning given in clause 1.1 of the Lender Platform Terms and Conditions;

“**Lending Works Shield**” has the meaning given in clause 19.1 of the Lender Platform Terms and Conditions;

“**Loan**” means a loan transaction entered into by a Borrower and a Lender using the Lending Works Platform, the terms of which are set out in a Loan Agreement; where the Lender has entered into more than one loan, this refers to each and every loan under which he is the Lender;

“Loan Agreement” means an agreement setting out the terms of a Loan; where the Lender has entered into more than one loan agreement, this refers to each and every loan agreement under which he is the Lender (either solely or collectively with other Lenders);

“Member” means a person who has approval by Lending Works to register, join, access and use the Lending Works Platform pursuant to and in accordance with these Lender Platform Terms and Conditions; and Membership shall be construed accordingly;

“Previous Years ISA Subscriptions” has the meaning set out in section 9 of these ISA Terms and Conditions;

“Quick Withdraw” has the meaning given in clause 15.1 of the Lender Platform Terms and Conditions;

“Tax Year” means the period from 6 April of one year to 5 April of the following year inclusive;

“Unallocated Funds” has the meaning given in clause 9.13 of the Lender Platform Terms and Conditions;

“Wallet” means the virtual wallet shown in either your Classic Account or your ISA Account, stating the balance of funds that you have available to lend or withdraw in each account; and

“Website” means www.lendingworks.co.uk.

- 2.2 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa, words denoting any gender shall include all genders and words denoting persons shall include bodies corporate and unincorporated, associations, partnerships and individuals. References to the words include and including shall be deemed to include the expression without limitation.

3. LENDING WORKS PLATFORM

- 3.1 To lend through Lending Works, you must become a Member of the Lending Works Platform and following the designated process set out in your Lending Works Account. Your Membership, registration, access and use of the Website and Lending Works Platform is governed by the Lender Platform Terms and Conditions.

- 3.2 You can lend using the Lending Works Platform by logging into your Lending Works Account and using:

- (a) your Classic Account;
- (b) your ISA Account; or
- (c) both of the above (but not collectively in relation to a Loan)

- 3.3 Becoming a Member of the Lending Works Platform allows you to lend using your Classic Account. To lend via your ISA Account, you must first become an ISA Investor and open an ISA Account with us in accordance with these ISA Terms and Conditions.

3.4 Your ISA Account will consist of any:

- (a) Current Year ISA Subscriptions (and any Corresponding ISA Income); and
- (b) Previous Years ISA Subscriptions

Section 9 of these ISA Terms and Conditions covers subscriptions.

3.5 You cannot move any funds which are allocated to a Loan from your Classic Account to your ISA Account. You can however move any funds in the Wallet of your Classic Account into the Wallet of your ISA Account, but these will be classified as a Current Year ISA Subscription made into your ISA Account as set out in section 9 of these ISA Terms and Conditions.

4. OUR ROLE

4.1 In relation to your ISA Account, our role is to:

- (a) act as your ISA Manager and report to HMRC in relation to your ISA Account; and
- (b) manage your ISA Account including management of your ISA Funds.

Our role in relation to your Lending Works Account as a whole is as set out in section 4 of the Lender Platform Terms and Conditions.

4.2 As your ISA Manager, we will hold all relevant documents and information evidencing your title to the ISA Funds and Loans in your ISA Account.

5. OUR AGREEMENT

5.1 These ISA Terms and Conditions are entered into between Lending Works (“Lending Works”, “us”, “we” “our”) and you (“you”, “the Lender”, “the Member”, “the ISA Investor”).

5.2 These ISA Terms and Conditions are in addition to and supplementary to the Lender Platform Terms and Conditions. Except as modified by these ISA Terms and Conditions, your Membership, registration, access to and use of the Website, Lending Works Platform and your Lending Works Account (which includes your ISA Account) is governed by the Lender Platform Terms and Conditions. These ISA Terms and Conditions cover certain aspects of your ISA Account, in particular how you can use your ISA Account, the management of funds in your ISA Account and our mutual relationship as ISA Manager and ISA Investor. If there is a conflict between these ISA Terms and Conditions and the Lender Platform Terms and Conditions, the Lender Platform Terms and Conditions will prevail.

5.3 You should only become an ISA Investor, or access and/or use your ISA Account, if you have read and understood these ISA Terms and Conditions, and agree to be bound by them. If you do not understand any part of these ISA Terms & Conditions, please ask us for further information before signing. You can contact us at cs@lendingworks.co.uk.

5.4 By agreeing to these ISA Terms and Conditions and/or by continuing to be an ISA Investor with us and/or by accessing or using your ISA Account, you confirm to us that you have read and understood the ISA Terms and Conditions and agree to be bound by them and any other document that is incorporated by reference into them.

6. ELIGIBILITY CRITERIA

6.1 To be able to subscribe funds into an Innovative Finance ISA with us, you will first need to become an ISA Investor and open an ISA Account with us pursuant to these ISA Terms and Conditions. You can only open an ISA Account if you become an ISA Investor with us.

6.2 To become an ISA Investor with us, you must:

- (a) be a Member of the Lending Works Platform; and
- (b) meet the criteria set out in clause 6.3 both at the time of your registration and also for the duration of your time as an ISA Investor.

6.3 The criteria for becoming an ISA Investor is as follows:

- (a) You must be an individual, 18 years of age or over and capable of taking responsibility for your own actions;
- (b) You must have a UK National Insurance Number which you must provide to us; and
- (c) You must satisfy **one** of the following:
 - i. You must be resident in the United Kingdom; or
 - ii. If not resident in the United Kingdom, be performing duties as a Crown employee serving overseas and paid out of the public revenue of the United Kingdom (typically a serving member of the armed forces, or a diplomat); or
 - iii. be married to, or in a civil partnership with a person who satisfies 6.3(c)(i); or
 - iv. be married to, or in a civil partnership with a person who satisfies 6.3(c)(ii).

6.4 You warrant and represent to Lending Works that:

- (a) you meet the criteria set out in 6.3 above;
- (b) the information provided to us in the course of registering as an ISA Investor, and throughout your time as an ISA Investor, is true and accurate in all respects;
- (c) you have disclosed to us any circumstances that you are aware of (including without limitation any legal claims, undisclosed liabilities, litigation, court proceedings or investigations which are current, threatened, pending or otherwise reasonably likely to occur against you by any third party) which

could or might result in a material adverse change in your financial condition, business or assets;

- (d) you can enter into a legally binding agreement with us, you are the person whose details you have provided in connection with your ISA Account and you will not allow any other person to access or use your ISA Account;
- (e) **you understand that, as is the case with your Classic Account, by making Loans using your ISA Account, you are making an investment and your capital is at risk. You accept that you are fully responsible for any losses which may be incurred from this investment.**

6.5 The representations and warranties set out in clause 6.4 are deemed to be repeated on each day that you are an ISA Investor by reference to the facts then existing, and you undertake not to take or permit any action to be taken that may cause such representations and warranties to be untrue or inaccurate.

6.6 If, at any time whilst you are an ISA Investor, any of the above criteria, representations and warranties are no longer true or accurate or satisfied by reference to the facts then existing, you agree to contact Lending Works as soon as possible and explain which criteria, representations and warranties are, or may, no longer be true or accurate or satisfied. You agree to provide Lending Works with such information as it may reasonably require about your financial condition, business and affairs from time to time.

6.7 You agree that, irrespective of the tax benefits associated with the Innovative Finance ISA, it is your responsibility to account for any tax imposed on you as a result of making Loans through your ISA Account. We shall not deduct any tax from any interest you receive and/or any proceeds of sale of your rights under any Loan Agreement which is made using your ISA Account.

6.8 You cannot open an ISA Account in joint names with any other individual. Each ISA Investor must open their own ISA Account with us pursuant to these ISA Terms and Conditions.

7. INVESTOR DECLARATION

7.1 To register and open an ISA Account, please follow the designated process set out in your Lending Works Account.

7.2 As part of the registration process, we are required under the ISA Rules to obtain a declaration ("**Investor Declaration**") from you before we can allow you to become an ISA Investor, open an ISA Account and place any funds into your ISA Account. The information we are required to include in the Investor Declaration is set out in ISA Rules.

7.3 We will ask you to sign the Investor Declaration before you complete the ISA Account registration process.

7.4 We will treat your Investor Declaration as made in each and every Tax Year in which your ISA Account remains open, unless section 10 (Future Subscriptions) applies.

8. APPOINTMENT AND AUTHORITY

- 8.1 You appoint us to be your ISA Manager in relation to your ISA Account.
- 8.2 We will manage your ISA Account (including your Current Year ISA Subscriptions, any Corresponding ISA Income and your Previous Year ISA Subscriptions) in accordance with these ISA Terms and Conditions and all ISA Rules.
- 8.3 You authorise us to undertake any functions required of an ISA manager under the ISA Rules on your behalf and to comply with any other legislation or regulation or government publication which may affect or be in any way connected with your ISA Account now or in the future.
- 8.4 On giving you at least 30 days' notice, we may appoint an associate as manager of your ISA Account in our place. In such circumstances, that associate will manage your ISA Account in accordance with these ISA Terms and Conditions and the ISA Rules.

9. SUBSCRIPTIONS AND PAYING IN FUNDS

- 9.1 Your ISA Account will consist of:
- (a) your Current Year ISA Subscriptions (and any Corresponding ISA Income); and
 - (b) your Previous Years ISA Subscriptions.
- 9.2 Your ISA Account may also include repayments from the Lending Works Shield in relation to your Current Year Subscriptions and Previous Years ISA Subscriptions.

Current Year ISA Subscriptions

- 9.3 **Current Year ISA Subscriptions** are funds you subscribe into an ISA with us or another ISA Manager in the current Tax Year.
- 9.4 The maximum amount you can subscribe by way of Current Year ISA Subscriptions into an ISA for the current Tax Year ("**Annual ISA Limit**") can be found on the UK Government website at www.gov.uk/individual-savings-accounts/overview. You are entitled to place your Current Year ISA Subscriptions into any ISA Category; namely a Cash ISA, a Stocks and Shares ISA, an Innovative Finance ISA, or any combination of these, but provided you do not exceed the Annual ISA Limit. You cannot however subscribe to more than one Cash ISA, more than one Stocks and Shares ISA, or more than one Innovative Finance ISA in the same Tax Year ("**One ISA-of Each Type-per Tax Year-Rule**").
- 9.5 We can only allow you to place your Current Year ISA Subscriptions into an Innovative Finance ISA. Lending Works does not offer an ISA in any other ISA Category.
- 9.6 The minimum amount of funds you can place in a single Current Year ISA Subscription with us is £10.00.
- 9.7 You can place a Current Year ISA Subscription (of any amount not exceeding the Annual ISA Limit) with us by transferring funds into your Wallet within your ISA

Account using the process set out in your ISA Account and as set out in section 9 of the Lender Platform Terms and Conditions. You may make numerous Current Year ISA Subscriptions with us (including scheduled monthly subscriptions), provided you do not exceed the overall Annual ISA Limit.

- 9.8 Once the funds representing a Current Year ISA Subscription have been placed in your ISA Account Wallet, these are deemed, for the purposes of the ISA Rules, to be subscribed to an ISA with us. This is not dependent on the funds being allocated to or on Loan. **If you do not make any Lending Offers, your money will not be allocated to any Loans and will not earn interest.**
- 9.9 If you make a Current Year ISA Subscription on the last day of the Tax Year (5 April), provided the funds comprising your Current Year ISA Subscription are cleared in our bank account on 5 April (i.e. by 23:59 hours), these will be included within your ISA Account as a Current Year ISA Subscription even if these are not allocated to your ISA Account until after 5 April.
- 9.10 **You must not exceed the Annual ISA Limit in relation to your Current Year ISA Subscriptions at any time.** If you send us more than the Annual ISA Limit, we may:
- 9.10.1 take any action we deem necessary to repair or make void any Current Year ISA Subscriptions (or any part of) exceeding the Annual ISA Limit, whether we are required to do so on the order of HMRC, under ISA Rules or otherwise, as set out in section 22 of these ISA Terms and Conditions); and/or
 - 9.10.2 transfer all funds (which may comprise of the equivalent of one or more entire Current Year ISA Subscriptions, or any part thereof) above the Annual ISA Limit into the Wallet in your Classic Account. You can then lend those funds using your Classic Account or withdraw those funds using the withdrawal process set out in your Lending Works Account.
- 9.11 We are only able to monitor your Annual ISA Limit in relation to the Current Year ISA Subscriptions you make in your ISA Account with us. If you have already made Current Year ISA Subscriptions with another ISA Manager, you may already have, or you will as a result of making a Current Year ISA Subscription with us, exceed your Annual ISA Limit, although your ISA Account with us may not reflect this. **It is your responsibility to ensure that you do not exceed the Annual ISA Limit in relation to your Current Year ISA Subscriptions at any time.**
- 9.12 **It is also your responsibility to ensure that you do not breach the One ISA-of Each Type-per Tax Year-Rule at any time.**
- 9.13 Nothing in these ISA Terms and Conditions makes us responsible for ensuring you do not exceed the Annual ISA Limit or that you do not breach the One ISA-of Each Type-per Tax Year-Rule. We shall not be held liable to you or HMRC (or any other person) in the event you do exceed the Annual ISA Limit or breach the One ISA-of Each Type-per Tax Year-Rule by placing Current Year ISA Subscriptions with us.
- 9.14 You can also transfer to us any Current Year ISA Subscriptions placed into any ISA with another ISA Manager. This is set out in section 12 of these ISA Terms and Conditions. We will follow the designated transfer process set out in the ISA Rules and as agreed between us and other ISA Managers. **You must not make this transfer yourself. This could result in withdrawal of your funds from your ISA**

and loss of ISA tax benefits on those funds. If you are unsure, please contact us before you taken any action.

Previous Years ISA Subscriptions

- 9.15 **Previous Years ISA Subscriptions** are funds you subscribed into respective ISAs in previous Tax Years with any ISA Manager(s), together with any income (including interest) you earned on those funds.
- 9.16 Previous Years ISA Subscriptions in your ISA Account can be:
- (a) Previous Years ISA Subscriptions you placed in your ISA Account with us in a previous Tax Year (which were previously Current Year ISA Subscriptions but automatically converted under clause 9.18);
 - (b) Previous Years ISA Subscriptions placed in an ISA with another ISA Manager in any previous Tax Year and transferred to us under section 12 of these ISA Terms and Conditions; and
 - (c) any income you earned in relation to (a) and (b).
- 9.17 There is no limit (financial or quantitative) to how many Previous Years ISA Subscriptions you can have in your ISA Account.
- 9.18 All Current Year ISA Subscriptions (including any Corresponding ISA Income) in your ISA Account will automatically become Previous Years ISA Subscriptions when the current Tax Year ends. We will continue to hold all Previous Years ISA Subscriptions in your ISA Account unless you tell us otherwise or you take an action within your ISA Account.
- 9.19 You can transfer to us one or more Previous Years ISA Subscriptions placed into any ISA with another ISA Manager. This is set out in section 12 of these ISA Terms and Conditions. We will follow the designated transfer process set out in the ISA Rules and as agreed between us and other ISA Managers. **You must not make this transfer yourself. This could result in withdrawal of your funds from your ISA and loss of ISA tax benefits on those funds. If you are unsure, please contact us before you take any action.**
- 9.20 You cannot add any additional funds to Previous Years ISA Subscriptions.

10. FUTURE SUBSCRIPTIONS

- 10.1 The Investor Declaration you make under section 7 of these ISA Terms and Conditions enables you to make Current Year ISA Subscriptions in the Tax Year in which you opened your ISA Account with us and each subsequent Tax Year thereafter, provided that you make at least one Current Year ISA Subscription into your ISA Account with us in each Tax Year. Where there is a break of at least one full Tax Year in which no Current Year ISA Subscriptions are made with us (transferring to us Current Year ISA Subscriptions from another ISA Manager under clause 9.14 will not satisfy this requirement), we will require you to sign a new Investor Declaration before any further subscriptions can be accepted into your ISA Account in accordance with ISA Rules.
- 10.2 This will happen each time there is a break in subscriptions as set out above.

- 10.3 If you do not provide further Investor Declarations as required, we will not allow you to make any further Current Year ISA Subscriptions, but the remainder of your ISA Account will continue to operate as set out in these ISA Terms and Conditions.

11. TAX BENEFITS

- 11.1 The tax benefits of an ISA are set out in the ISA Rules. **The value of the tax benefits will depend on your individual circumstances and tax laws may change in the future.**
- 11.2 Nothing in these ISA Terms and Conditions is a representation to you of the tax benefits of an ISA.
- 11.3 You should seek advice from a financial or tax advisor in relation to any questions you have around taxation.

12. TRANSFERRING YOUR ISA TO US

- 12.1 This section governs the transfer of existing ISA Funds to us from another ISA Manager.
- 12.2 We may only accept the transfer of existing ISA Funds at our discretion. This means we do not have to accept ISA Funds from another ISA Manager into your ISA Account.

Current Year ISA Subscriptions

- 12.3 Subject to the remaining clauses in this section, you may transfer your Current Year ISA Subscriptions made to another ISA Manager to your ISA Account with us. To do this, you will need to follow the designated transfer request process set out in your ISA Account. This will involve completing a Transfer Authority Form (and any other similar document).
- 12.4 Once you have requested the transfer using the process set out in your ISA Account, we will attempt to complete the transfer using the ISA Manager-to-ISA Manager transfer process set out in the ISA Rules. This involves us contacting your existing ISA Manager to arrange the transfer directly. **You must not make this transfer yourself. This could result in withdrawal of your funds from your ISA and loss of ISA tax benefits on those funds. If you are unsure, please contact us before you take any action.**
- 12.5 You can only transfer Current Year ISA Subscriptions made with another ISA Manager, to us:
- (a) in whole; and
 - (b) in cash.

This means you must transfer **all** of your Current Year ISA Subscriptions with your existing ISA Manager together with any Corresponding ISA Income. You can only transfer Current Year ISA Subscriptions made to another ISA Manager if these are held in or converted into cash. This includes any Corresponding ISA Income received on your Current Year ISA Subscriptions with another ISA Manager. If you wish to

transfer funds which are not held in cash e.g. shares, you will first need to convert them to cash using the process designated by your existing ISA Manager.

- 12.6 The Annual ISA Limit set out in section 9 applies irrespective of which ISA Manager holds your Current Year ISA Subscriptions or whether you have made Current Year ISA Subscriptions to more than one ISA Manager, provided you do not breach the **One ISA-of Each Type-per Tax Year-Rule**.
- 12.7 If you transfer to us your Current Year ISA Subscriptions made to an ISA Manager in a **different ISA Category** (namely Cash or Stocks and Shares), you will be deemed to have made the original subscriptions with us. You may then open another Cash or Stocks and Shares ISA in the same Tax Year with that ISA Manager or another ISA Manager, and may make further Current Year ISA Subscriptions in relation to that ISA, subject to the overall Annual ISA Limit. **You cannot however:**
- **make any Current Year ISA Subscriptions to another Innovative Finance ISA provider following transfer under this clause (this does not prevent you from making further Current Year ISA Subscriptions to Lending Works, subject to the overall Annual ISA Limit); or**
 - **transfer your Current Year ISA Subscriptions made to an ISA manager in a different ISA Category (namely Cash or Stocks and Shares), to us if you have already made Current Year ISA Subscriptions to another Innovative Finance ISA provider.**

In both cases above, to do so would have the overall impact of breaching the One ISA-of Each Type-per Tax Year-Rule.

- 12.8 If you have already made one or more Current Year ISA Subscriptions with another ISA Manager in the **same ISA Category** as your Lending Works ISA (i.e. an Innovative Finance ISA with another peer-to-peer lending platform), subject to clause 12.5, you may transfer your Innovative Finance ISA Current Year ISA Subscriptions from the other peer-to-peer lending platform to us and you can add further Current Year ISA Subscriptions with us following transfer if you wish, subject to the Annual ISA Limit. **You cannot however then make any Current Year ISA Subscriptions to your old Innovative Finance ISA provider or any other Innovative Finance ISA provider following transfer under this clause (this does not prevent you from making further Current Year ISA Subscriptions to Lending Works, subject to the overall Annual ISA Limit).** This provision does not affect transferring Previous Years ISA Subscriptions to us.
- 12.9 If under 12.8 above, you transfer one or more Current Year ISA Subscriptions with another ISA Manager in the same ISA Category as your Lending Works ISA (i.e. an Innovative Finance ISA with another peer-to-peer lending platform) to us, you can also transfer to us any further Current Year ISA Subscriptions made to an ISA Manager in a different ISA Category (namely Cash or Stocks and Shares) in the Current Year.
- 12.10 It is your responsibility to ensure you do not exceed the Annual ISA Limit in relation to your Current Year ISA Subscriptions at any time and that you do not breach the One ISA-of Each Type-per Tax Year-Rule.
- 12.11 If, as a result of transferring one or more Current Year ISA Subscriptions to us and; (i) taking into account the Current Year ISA Subscriptions you have made to us in

your ISA Account and (ii) disregarding any Corresponding ISA Income, you exceed the Annual ISA Limit, we may:

- 12.10.1 take any action we deem necessary to repair or make void any Current Year ISA Subscriptions (or any part of) exceeding the Annual ISA Limit, whether we are required to do so at the order of HMRC, under ISA Rules or otherwise, as set out in section 22 of these ISA Terms and Conditions); and/or
 - 12.10.2 transfer all funds (which may comprise of the equivalent of one or more entire Current Year ISA Subscriptions, or any part thereof) above the Annual ISA Limit into the Wallet in your Classic Account. You can then lend those funds using your Classic Account or withdraw those funds using the withdrawal process set out in your Lending Works Account; and/or
 - 12.10.3 return the relevant funds to the ISA Manager sending the funds to us.
- 12.12 You acknowledge and agree that we shall not be liable to you for any loss or damage you suffer as a result of a failed transfer under clause 12.10, including any loss of income.

Previous Years ISA Subscriptions

- 12.13 You may transfer one or more Previous Years ISA Subscriptions made to another ISA Manager to your ISA Account with us. To do this, you will need to follow the designated transfer request process set out in your ISA Account. This will involve completing a Transfer Authority Form (and any other similar document).
- 12.14 Once you have requested the transfer using the process set out in your ISA Account, we will attempt to complete the transfer using the ISA Manager-to-ISA Manager transfer process set out in the ISA Rules. This involves us contacting your existing ISA Manager to arrange the transfer directly. **You must not make this transfer yourself. This could result in withdrawal of your funds from your ISA and loss of ISA tax benefits on those funds. If you are unsure, please contact us before you take any action.**
- 12.15 We will accept a transfer of Previous Years ISA Subscriptions of any amount provided the sums are transferred in cash. Unless set out differently in an existing ISA Manager's terms and conditions, you can transfer to us some or all of your Previous Years ISA Subscriptions in any combination or amount you prefer.

13. TRANSFERRING YOUR ISA TO ANOTHER ISA MANAGER

Current Year ISA Subscriptions

- 13.1 You may transfer your Current Year ISA Subscriptions in your ISA Account with us to another ISA Manager at any time, but subject to the conditions set out in clause 13.4.
- 13.2 To transfer your Lending Works ISA to another ISA Manager, you will need to follow the designated transfer process made available to you by your new ISA Manager. This will involve completing a Transfer Authority Form (or any other similar document) with your new ISA Manager. Once we receive this Transfer Authority Form from your new ISA Manager, we will attempt to contact you to confirm your request. Once you

have confirmed you wish to proceed with the transfer, or if we do not hear from you within 21 days of the date we receive the Transfer Authority Form (and points in clauses 13.4.2 and 13.4.3 do not apply), we will proceed to transfer the ISA Funds to your new ISA Manager. You acknowledge and agree that upon receipt of a signed Transfer Authority Form (or any other similar document) from your new ISA Manager, we can make this transfer without further consent from you.

- 13.3 **You must not make this transfer yourself. This could result in withdrawal of your funds from your ISA and loss of ISA tax benefits on those funds. If you are unsure, please contact us before you take any action.**
- 13.4 You can only transfer your Current Year ISA Subscriptions with us to another ISA Manager if all of the Current Year ISA Subscriptions and any Corresponding ISA Income are held in cash in your ISA Account Wallet. This means that in relation to your Current Year ISA Subscriptions, you cannot have any allocated Lending Offers and you cannot have any ISA Funds still on loan and not yet repaid in full (including all interest). If we receive a transfer request from your new ISA Manager and the relevant funds or part of the relevant funds are locked within one or more allocated Lending Offers or on Loan, we will:
- 13.4.1 notify you of the transfer request by email and/or through your Lending Works Account (as set out in clause 13.2) and
 - 13.4.2 if the relevant funds or part of the relevant funds are locked within one or more allocated Lending Offers, we will reject the transfer request and notify both you and your new ISA manager or
 - 13.4.3 if the relevant funds or part of the relevant funds are on Loan (and no funds are locked within one or more allocated Lending Offers), we will notify you and ask you to request a Quick Withdraw (as set out in section 15 of the Lender Platform Terms and Conditions) in relation to the funds on loan using the process set out in your ISA Account. If you do not action this within 21 days of the notification, we will reject the transfer request and notify both you and your new ISA manager. Any Quick Withdraw fees payable will be deducted from the ISA Funds before transfer.
- 13.5 [BLANK]
- 13.6 It is your responsibility to ensure you do not exceed the Annual ISA Limit in relation to your Current Year ISA Subscriptions at any time. It is also your responsibility to ensure that you do not breach the One ISA-of Each Type-per Tax Year-Rule.

Previous Years ISA Subscriptions

- 13.7 You may transfer all or any part of your Previous Years ISA Subscriptions held with us to one or more other ISA Managers, provided these funds are held in cash in your ISA Account Wallet. Any ISA Funds allocated to a Loan or still on Loan cannot be transferred until repaid.
- 13.8 To transfer your Lending Works ISA to another ISA Manager, you will need to follow the designated transfer process made available to you by your new ISA Manager. This will involve completing a Transfer Authority Form (or any other similar document) with your new ISA Manager. Once we receive this Transfer Authority Form from your new ISA Manager, we will attempt to contact you to confirm your request. Once you

have confirmed you wish to proceed with the transfer, or if we do not hear from you within 21 days of the date we receive the Transfer Authority Form, we will proceed to transfer the ISA Funds to your new ISA Manager. You acknowledge and agree that upon receipt of a signed Transfer Authority Form (or any other similar document) from your new ISA Manager, we can make this transfer without further consent from you.

- 13.9 **You must not make this transfer yourself. This could result in withdrawal of your funds from your ISA and loss of ISA tax benefits on those funds. If you are unsure, please contact us before you take any action.**
- 13.10 Subject to your agreement with your new ISA Manager, you can transfer any amount held within your Previous Years ISA Subscriptions with us provided the amount is held in cash. You may, though you are not required to, transfer the entire amount of your Previous Years ISA Subscriptions with us.

14. LEND USING YOUR ISA ACCOUNT

- 14.1 To start lending using your ISA Account, you will need to follow the process set out in your ISA Account. The process for lending using your ISA Account is the same as the process for lending using your Classic Account and is governed by section 9 of the Lender Platform Terms and Conditions.
- 14.2 Lending Offers within your ISA Account can only be made using the process set out in clause 9.5 of the Lender Platform Terms and Conditions.
- 14.3 When you make a Lending Offer within your ISA Account, we will use available ISA Funds from your Previous Years ISA Subscriptions first. If your Lending Offer is for more than the total amount of available ISA Funds in your Previous Years ISA Subscriptions, we will make up the balance using your available Current Year ISA Subscriptions and any Corresponding ISA Income. You cannot make a Lending Offer for more than the total amount of available ISA Funds in your ISA Account.
- 14.4 All repayments of ISA Funds, including interest and other income earned on the ISA Funds (including any payments you receive from the Lending Works Shield, and the proceeds of sale when you initiate a Quick Withdraw) will be held in your ISA Account.

15. CLIENT MONEY

- 15.1 All funds in your ISA Account will be held in accordance with the Client Money section (section 10) of the Lender Platform Terms and Conditions.

16. FEES

- 16.1 Other than as set out in clause 16.2, we will not charge you any fees for opening an ISA Account with us, transferring ISA Funds in or out of your ISA Account or withdrawing funds from your ISA Account.
- 16.2 All other fees and charges are as applicable to your Lending Works Account and as set out in section 20 of the Lender Platform Terms and Conditions.
- 16.3 Other ISA Managers may charge you a fee when sending or receiving your ISA Funds. You should make enquires with these ISA Managers before requesting any such transfer. You acknowledge and agree that any such fees and charges are

entirely your own responsibility and that Lending Works will not be liable for these or for any delay in transfer in or out resulting from your non-payment of these fees and charges.

17. WITHDRAWAL FROM YOUR ISA

- 17.1 Subject to clause 17.3 below, you may withdraw some or all of the funds in your ISA Account to your nominated bank account at any time by using the designated withdrawal process set out in your ISA Account. Under the ISA Rules, you are entitled to stipulate a time by which the funds withdrawn should reach your nominated bank account. Where applicable, you cannot stipulate a period of less than 21 days from when you complete the designated withdrawal process set out in your ISA Account, although we will make all reasonable efforts to send these funds to you as soon as possible.
- 17.2 When effecting a withdrawal under clause 17.1, we will use ISA Funds in your Previous Years ISA Subscriptions first, followed by your Current Year ISA Subscriptions.
- 17.3 You cannot withdraw funds in your ISA Account which are:
- (a) part of a Lending Offer which has already been allocated to a Loan; or
 - (b) on loan under a Loan Agreement and not yet repaid.

Funds which form part of a Lending Offer which has not been allocated to a Loan can only be withdrawn in accordance with this section once you withdraw the relevant Lending Offer using the designated process set out in your ISA Account. Funds which form part of a Lending Offer which has already been allocated to a Loan cannot be withdrawn unless the relevant borrower decides not to take up the Loan Offer.

- 17.4 **You acknowledge that, by withdrawing funds from your ISA Account, you will lose all tax benefits applicable to those funds under the ISA Rules. This includes where you make any such withdrawal in error. If you are unsure, please contact us before you taken any action.**
- 17.5 We do not offer a flexible ISA. This means that if you withdraw any funds (in whole or in part) from your ISA Account, these cannot be replaced without impacting the balance remaining of your Annual ISA Limit. This does not prevent you from using those funds to make a Current Year ISA Subscription as set out in section 9 of these ISA Terms and Conditions.
- 17.6 Unless we permit you to do so, we are ordered to do so by HMRC or we are required to do so under the ISA Rules, you cannot transfer any Loans or any ISA Funds in your ISA Account to your Classic Account. We may make such a transfer as set out in these ISA Terms and Conditions.

18. CANCELLATION AND TERMINATION

Statutory right of cancellation

- 18.1 You have the right to cancel this agreement and close your ISA Account, without giving any reason, within 14 days beginning on the day after the date on which you

agree to these ISA Terms and Conditions and become an ISA Investor. You can do this via your Lending Works Account or by emailing cs@lendingworks.co.uk.

18.2 You will lose this cancellation right if:

- (a) you have made a Lending Offer and all or part of this becomes and remains Allocated Funds;
- (b) a Loan Agreement has been made in relation to your ISA Funds; or
- (c) you have initiated a transfer of Previous Years ISA Subscriptions and we have received the funds.

By carrying out any of (a) – (c) above, you acknowledge that this right of cancellation will no longer apply. This does not impact your right to terminate this Agreement as set out in the remainder of this section 18.

18.3 If you do exercise your cancellation right as set out in clause 18.1, we will transfer all funds in the Wallet of your ISA Account back to you. For the purposes of the ISA Rules, you will then be treated as if you had not opened an ISA Account with us. This means your Annual ISA Limit will not be impacted and you may open another ISA in any ISA Category with any other ISA Manager in the current Tax Year.

Cancellation of Current Year ISA Subscriptions only

18.4 You may exercise your cancellation rights in respect of Current Year ISA Subscriptions only (i.e. without exercising your cancellation rights in respect of Previous Years ISA Subscriptions). You may cancel all of your Current Year ISA Subscriptions you have made with us, without giving any reason, within 14 days beginning on the day after the date on which you agree to these ISA Terms and Conditions and open your ISA Account with us. You can do this via your Lending Works Account or by emailing cs@lendingworks.co.uk.

18.5 You will lose this cancellation right once you have:

- (a) made a Lending Offer and all or part of this becomes Allocated Funds; or
- (b) a Loan Agreement has been made in relation to your ISA Funds

By carrying out either of (a) or (b), you acknowledge that this right of cancellation will no longer apply. This does not impact your right to terminate this Agreement as set out in the remainder of this section 18.

18.6 If you do exercise your cancellation right as set out in clause 18.4, we will transfer all Current Year ISA Subscriptions in the Wallet of your ISA Account back to the nominated bank account set out in your Lending Works Account. For the purposes of the ISA Rules, you will then be treated as if you had not made any Current Year ISA Subscriptions with us. This means your Annual ISA Limit will not be impacted and you may open another ISA in any ISA Category with any other ISA Manager for in this Tax Year.

Termination by you

- 18.7 After the 14-day period set out in clauses 18.1 and 18.4, if you no longer want to be an ISA Investor with us and wish to close your ISA Account, you can do this at any time by giving us notice by emailing cs@lendingworks.co.uk, provided you meet the criteria set out in clause 18.8.
- 18.8 You must satisfy the following criteria:
- (a) You must have no outstanding Lending Offers (in whole or in part) which have the status Allocated Funds;
 - (b) You must not have funds currently on Loan under Loan Agreements; and
 - (c) The balance of ISA Funds in your ISA Account must be zero.
- 18.9 The condition in clause 18.8(c) can be satisfied by:
- (i) successfully transferring some or all ISA Funds in your ISA Account to another ISA Manager (as set out in section 13); and/or
 - (ii) withdrawing some or all of your ISA Funds (as set out in clause 17); and/or
 - (iii) if you request this and we agree, transferring all ISA Funds to your Classic Account.
- 18.10 If you transfer your Current Year ISA Subscriptions to another ISA Manager in the same ISA Category as us (i.e. an Innovative Finance ISA) as set out in section 13 of these ISA Terms and Conditions, you will not be able to make any further Current Year ISA Subscriptions with that ISA Manager.
- 18.11 If you want to withdraw any ISA Funds from your ISA Account, you can do this using the designated process set out in your ISA Account (and as set out in section 17). If you withdraw in this way you will lose the tax benefits of your ISA Funds.

Termination by us

- 18.12 We may terminate this Agreement and your ISA Account at any time if:
- (a) you breach these ISA Terms and Conditions;
 - (b) you breach any term of your Loan Agreement(s) and fail to remedy the breach within any period notified to you or, where no such notification is provided, within a reasonable period;
 - (c) we suspect that you have committed or have been involved in fraud, money laundering or other criminal activities;
 - (d) we terminate your Lending Works Account and Membership of the Lending Works Platform pursuant to any of the reasons specified under clauses 25.3(a) to (d) (inclusive) of the Lender Platform Terms and Conditions;
 - (e) we terminate your Lending Works Account (including any associated ISA Account) and Membership of the Lending Works Platform pursuant to clause 25.3(e) of the Lender Platform Terms and Conditions; or

- (f) you die or become bankrupt as set out in sections 24 and 25.
- 18.13 Termination of your ISA Account will not necessarily result in a termination of any Loan Agreements which shall remain valid and binding unless and until terminated in accordance with the terms of those Loan Agreements.
- 18.14 If you have Loan Agreements outstanding, we may not be able to close your ISA Account following termination by us until all sums due under such Loan Agreements have been repaid by Borrowers, unless we are terminating this Agreement under clause 18.12(e). We may however significantly restrict your access to your ISA Account and your ability to use certain functions in your ISA Account.
- 18.15 In relation to 18.12(f), we may, upon receiving proper authority, permit access to any relevant persons permitted by law or under an order of the court to deal with your ISA Account.

19. RESIDING OUTSIDE THE UK

- 19.1 If, at any time whilst you have an ISA Account with us, you (or any Connected Person) take up residence outside the United Kingdom and as a result you no longer satisfy one of the conditions in clause 6.3(c)(i) – (iv), you must inform us immediately using the details set out on our Website. You may be required to make a formal “non-residency declaration”.
- 19.2 If, under clause 19.1, you inform us in the current Tax Year, that you have taken up residence outside the United Kingdom and no longer satisfy one of the conditions in clause 6.3(c)(i) – (iv), subject to clauses 19.5 and 19.6, you may still be able to retain your ISA Account, continue to receive interest and capital repayments, and make new Loans using the ISA Funds in your ISA Account, but, until the ISA Trigger Date (as defined in clause 19.5), you will not be able to:
- (a) make any further Current Year ISA Subscriptions;
 - (b) transfer any Current Year ISA Subscriptions to us from another ISA Manager; or
 - (c) transfer any Previous Years ISA Subscriptions to us from another ISA Manager.
- 19.3 Any Current Year ISA Subscriptions may also be deemed invalid and thus made void. You agree that we may take any action we deem necessary following a void subscription under clause 19.2, whether we are required to do so on the order of HMRC, under ISA Rules or otherwise. This action includes (but is not limited to):
- (a) transferring the void Current Year ISA Subscriptions (and any Corresponding ISA Income) under this clause (and/or any loans made using such subscriptions or part thereof) from your ISA Account to your Classic Account; and
 - (b) transferring any sums in (a) back to your nominated bank account.
- 19.4 You agree that you will remain liable for and responsible for payment of any tax due on or in relation to any Current Year ISA Subscriptions (and Corresponding ISA Income) made void under this section 19. You also agree that we will not be liable for any tax benefits you lose under this section 19.

- 19.5 The “**ISA Trigger Date**” is determined by reference to the date on which you reside back in the United Kingdom, and is set as the date of the start of the second Tax Year following the date on which you reside back in the United Kingdom. This means that you will need to allow at least one full Tax Year before being able to perform any of the actions set out in clauses 19.2(a) - (c). You will also be required to provide a new Investor Declaration as set out in clause 10.3.
- 19.6 If you inform us during the current Tax Year that you were not resident in the United Kingdom and did not satisfy the condition in clauses 6.3(c)(i) – (iv):
- (a) since a date in a previous Tax Year to the date of notification; or
 - (b) since a date in a previous Tax Year to another date in a previous Tax Year after which you did once again satisfy the condition in clauses 6.3(c)(i) – (iv);
- any Previous Year ISA Subscriptions (or part of) may be deemed invalid and thus made void.
- 19.7 You agree that we may take any action we deem necessary following a void subscription under clause 19.6, whether we are required to do so on the order of HMRC, under ISA Rules or otherwise. This action includes (but is not limited to):
- (a) transferring the void Previous Year ISA Subscriptions (or part of) under this clause (and/or any loans made using such subscriptions or part thereof) from your ISA Account to your Classic Account; and
 - (b) transferring any sums in (a) back to your nominated bank account.
- 19.8 You agree that you will remain liable for and responsible for payment of any tax due on or in relation to any Previous Year ISA Subscriptions made void under this section 19. You also agree that we will not be liable for any tax benefits you lose under this section 19.
- 19.9 If you inform us and/or ask us to amend your residential address in your Lending Works Account, but do not make a “non-residency declaration” under clause 19.1, we may continue to accept Current Year ISA Subscriptions from you as if you still satisfy one of the conditions in clause 6.3(i) – (iv); however, you will not be able to make any further subscriptions in the next Tax Year and thereafter until you have provided us with a new Investor Declaration as set out in section 7.

20. VARIATION OF THIS AGREEMENT

- 20.1 We may make changes to these ISA Terms and Conditions from time to time for any of the following reasons:
- (a) To make the terms clearer and easier to understand;
 - (b) As a result of changes in the banking or financial system, technology, our business, policies, procedures and the systems we use;
 - (c) As a result of actual or anticipated legal or regulatory requirements;
 - (d) To ensure that our business is run prudently and efficiently; or

(e) Any other reasonable and valid reason.

20.2 We will take all reasonable steps to bring any such changes to your attention (such as by placing a notice of change in a prominent position on the Website, together with the changed ISA Terms and Conditions). It is your responsibility to check these ISA Terms and Conditions from time to time to ensure that you agree with them.

20.3 You can terminate this Agreement in accordance with clause 18.7 of these ISA Terms and Conditions. Your continuing to be an ISA Investor and/or access and use of your ISA Account after any change to these ISA Terms and Conditions will be deemed to be your acceptance of the change.

21. BENEFICIAL OWNERSHIP

21.1 In accordance with the ISA Rules, all ISA Funds in your ISA Account with us will at all times remain in your beneficial ownership.

21.2 You must not use the ISA Funds in your ISA Account with us as security for any loan you obtain as a borrower.

22. INVALID AND VOID SUBSCRIPTIONS

22.1 If, for any reason, your ISA Account is invalid or a particular subscription you have made is invalid, we will firstly, and if permitted under the ISA Rules, attempt to repair your ISA Account or invalid subscription.

22.2 If your entire ISA Account or any invalid subscription (or any part of a subscription), whichever is the case, cannot be repaired (or we are not permitted to carry out a repair under the ISA Rules) by taking any corrective action, your entire ISA Account or a particular subscription (or any part of a subscription) will become void. This means you will lose any tax relief available and may be required to make a payment of taxation. You will be contacted by HMRC in either case and you may be given the opportunity to raise any queries with them.

22.3 You agree that we may take any action we deem necessary (i) to repair an invalid ISA Account or an invalid subscription; or (ii) upon such an account or subscription becoming void, whether we are required to do so on the order of HMRC, under ISA Rules or otherwise. This action includes (but is not limited to):

(a) transferring all ISA Funds (and/or loans made using the ISA Funds) in your ISA Account to your Classic Account and thereafter closing your ISA Account;

(b) transferring any invalid subscriptions (or any part of a subscription which is invalid) together with any income earned on that subscription or part thereof, (and/or any loans made using any invalid subscriptions or part thereof) from your ISA Account to your Classic Account; and

(c) transferring any sums in (a) or (b) back to your nominated bank account.

22.4 You agree that you will remain liable for and responsible for payment of any tax due on or in relation to an invalid ISA Account or invalid subscription and we will not be liable for any taxation or penalties you incur as a result of any invalid subscriptions.

You also agree that we will not be liable for any tax benefits you lose as a result of us taking any action under clause 22.3.

23. FAILURE TO COMPLY WITH THE ISA RULES

23.1 If you fail to satisfy or breach any provisions set out in the Individual Savings Account Regulations 1998, your ISA Account may become void. Although this will not impact your existing Lender Offers and Loan Agreements and any funds in your Wallet will remain safe, you may become liable for payment of taxation to HMRC on all of your ISA Funds, together with any charge or penalty applied by HMRC.

24. BANKRUPTCY

24.1 If you become bankrupt, you must let us know immediately.

24.2 If you are made bankrupt, we will terminate this Agreement immediately, and take all actions we are required to take under the ISA Rules following your bankruptcy.

24.3 In addition to any action under clause 24.2, we may:

- (a) disable your access to your Lending Works Account;
- (b) only accept further instructions in relation to your Lending Works Account from the Official Receiver and/or your Trustee in Bankruptcy (or other such persons administering your estate); and
- (c) continue to be collect repayments in respect of any of your active Loan Agreements and return these to your Classic Account.

25. DEATH OF AN ISA INVESTOR

25.1 In the event of your death, any exemption from UK income tax and capital gains tax will end immediately. This means that any further income or gains you receive in relation to your ISA Account after the date of your death may become subject to income and capital gains tax. This does not mean you will lose any tax exemptions on income earned on your ISA Account prior to death.

25.2 Upon receiving notification of the event set out in clause 25.1, we will terminate this Agreement immediately, transfer all ISA Funds from your ISA Account to your Classic Account, and close your ISA Account.

25.3 Following transfer under clause 25.2, we will:

- (a) continue to deal with your Lending Works Account in accordance with the Lender Platform Terms and Conditions;
- (b) only accept further instructions in relation to your Lending Works Account from your personal representative, the executor or administrator of your estate, any other person who has Grant of Probate or any other person permitted by law to manage your estate upon death; and
- (c) continue to be collect repayments in respect of any of your active Loan Agreements and return these to your Classic Account.

- 25.4 Any person under 25.3(b) must provide us with proof of death and of their appointment. Upon receipt of this information, we shall provide the relevant person with all information we are required to provide under ISA Rules.
- 25.5 We will not permit any subscriptions to be made to your ISA Account by your spouse or civil partner.
- 25.6 We will notify HMRC where required in respect of the event set out in clause 25.1 and removal of the ISA wrapper and transfer under clause 25.2.

26. USE OF YOUR PERSONAL INFORMATION

- 26.1 In addition to how we use your personal information as set out in section 21 of the Lender Platform Terms and Conditions, we will also provide your personal information, including in relation to or in connection with your ISA Account to HMRC.
- 26.2 When processing your personal data, we shall always comply with the Data Protection Act 1998 and any other associated legislation.
- 26.3 Under the Data Protection Act 1998, you have a right to access certain personal records we hold about you. This is called a "subject access request", which you can make by contacting us by telephone, by email or in writing. A fee may be payable, but we will not charge you until we have told you how much this is.

27. HMRC REPORTING

- 27.1 Under the ISA Rules, we as an ISA Manager are required to report details of all ISA subscriptions made by you and details of all ISA Funds in your ISA Account with us to HMRC. You acknowledge and agree that we will pass all information in relation to or in connection with your ISA Account to HMRC without further consent from you.
- 27.2 You must provide us and HMRC with any additional information required in relation or in connection with your ISA Account.

28. LIABILITY

- 28.1 You shall be liable to us for any loss or damage suffered by us as a result of any breach of these ISA Terms and Conditions or any Loan Agreement by you, or any fraudulent or negligent use of the Lending Works Platform.
- 28.2 We shall not be liable to you for any loss or damage which you may suffer as a result of being an ISA Investor or using your ISA Account, except where such loss or damage arises from our breach of these ISA Terms and Conditions or breach of the ISA Rules. We are not responsible for any breach of these ISA Terms and Conditions arising from circumstances outside our reasonable control. Our total liability to you in connection with these ISA Terms and Conditions shall not exceed the amount of money you have in your ISA Account.
- 28.3 We shall not be liable to you for any loss or damage which you may suffer as a result of us not being able to match you with Borrowers whether within a given period or at all. **You acknowledge and agree that Current Year ISA Subscriptions will count towards your Annual ISA Limit whether or not these funds are loaned to borrowers.**

- 28.4 Nothing in these ISA Terms and Conditions will exclude or limit our liability for fraud or any other liability which we cannot lawfully exclude or limit (including our liability with respect to death and personal injury resulting from our negligence, or that of our employees, agents or subcontractors), and this section shall be construed accordingly.
- 28.5 We may at any time, without notice to you, set off any liability owed to us or to our Members by you, including (without limitation) in relation to any Lending Works Account in your name or which we believe to be under your control, against any funds held in another Lending Works Account in your name or which we believe to be under your control.

29. BACK-UP SERVICE PROVIDER

- 29.1 If the Lending Works Platform permanently fails or ceases to operate for any reason, including if we become insolvent as a firm, we will transfer our obligations under these ISA Terms and Conditions in respect of our obligations as an ISA Manager to a third party back-up ISA manager with whom we have in place a back-up servicing arrangement. This third party may also be the back-up service provider under section 27 of the Lender Platform Terms and Conditions and this section should be read in conjunction with section 27 of the Lender Platform Terms and Conditions.
- 29.2 The back-up ISA Manager may charge an annual fee for carrying out our obligations under these ISA Terms and Conditions. This fee will be charged to all ISA Investors and is calculated as 1% per annum of the total outstanding loan balances which comprise of ISA Funds of all ISA Investors, payable monthly by deduction from the interest collected by the service provider under the relevant Loan Agreements.
- 29.3 If you would like further details of our third party back-up ISA manager, please email our Customer Service team at cs@lendingworks.co.uk and we will provide you with the appropriate details.
- 29.4 We can at any time, at our entire discretion and without notice to you, change our back-up ISA manager or the specific details of the arrangement we have with them.

30. COMPLAINTS

- 30.1 If you want to make a complaint about Lending Works, your ISA Account or any Loan Agreement you can e-mail us at cs@lendingworks.co.uk, with brief details of your complaint and your Lending Works Membership Number.
- 30.2 For full details of our complaints procedure including how we deal with your complaint, please visit www.lendingworks.co.uk/complaints.
- 30.3 If we cannot resolve your complaint within 8 weeks of receiving your complaint, you have the right to refer your complaint to the Financial Ombudsman Service (<http://www.financial-ombudsman.org.uk/default.htm>). We will provide you with further details about this when dealing with your complaint.

31. MISCELLANEOUS

- 31.1 In the event that any provision of these ISA Terms and Conditions is deemed by any competent authority to be unenforceable or invalid, the relevant provision shall be

modified to allow it to be enforced in line with the intention of the original text to the fullest extent permitted by applicable law. In any case, the validity and enforceability of the remaining provisions of these ISA Terms and Conditions shall not be affected.

- 31.2 You agree that all documents or notices that we wish to send you or are entitled to send you electronically may be delivered to you via the Website to your Lending Works Account. You may also receive by e-mail to your e-mail address specified in your Lending Works Account from time to time a prompt to refer to your Lending Works Account.
- 31.3 Subject to applicable law, all disclaimers, indemnities and exclusions in these ISA Terms and Conditions shall survive termination of the agreement between us for any reason.
- 31.4 We may, in whole or in part, release, compound, compromise, waive or postpone any liability owed to us or right granted to us in these ISA Terms and Conditions without in any way prejudicing or affecting our rights in respect of that or any other liability or right not so released, compounded, compromised, waived or postponed.
- 31.5 No single or partial exercise, or failure or delay in exercising any right, power or remedy by us shall constitute a waiver by us of, or impair or preclude any further exercise of, that or any right, power or remedy arising under these ISA Terms and Conditions or otherwise.
- 31.6 Lending Works may assign or otherwise exercise any of its rights under these terms and conditions by itself or through any company or other legal entity. You cannot assign or transfer your rights and obligations under these ISA Terms and Conditions.
- 31.7 A person who is not a party to these Terms and Conditions has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these ISA Terms and Conditions.
- 31.8 These ISA Terms and Conditions are governed by and construed in accordance with English law. In the event of any matter or dispute arising out of or in connection with these ISA Terms and Conditions, you and we shall submit to the exclusive jurisdiction of the English courts.