

Platform Overview

Name

Zopa

Summary

Zopa was the world's first peer-to-peer lender. Zopa aims to connect personal borrowers looking for a low rate loan with investors looking for a higher rate of return.

Target Investor

Zopa is aimed at both individual investors as well as financial institutions – such as banks, providing they are UK residents with a UK current account. Investors can earn up to 6.1%pa. gross on their investment, from a minimum of £10, over a period of 1 month to 5 years dependent on their choice of account.

OFF3R's Comment on Platform

As the UK's oldest and largest P2P company*, Zopa, have lent over £2 billion since launching in 2005. Their attractiveness for investors should arguably be improved with the imminent launch of their IFISA product pending final FCA approval. Zopa are one of the heavy weights of the industry and as such are an attractive option for newcomers to the sector.

*Source: <http://blog.zopa.com/2014/06/27/5-things-to-know-about-zopa/>

Platform Information

Founded

2005

Location

London, UK

Regulatory Status

Fully FCA Authorised

Products Available

Fixed Term Product

Zopa offers investors the choice of 3 accounts: Zopa Access, Zopa Plus and Zopa Classic.

Innovative Finance ISA

The Zopa IFISA is intended to launch in the 2017/18 tax year and should allow investors to earn tax-free interest on their P2P loans which are purchased within a Zopa ISA.

Investor Information

Who do you Lend to?

Individuals

What is the minimum investment?

£10

How are the loans secured?

Personal loans

What is the typical investment term?

1 to 60 months

What type of investment is it?

Account based – investors select an investment product and the platform lends money across a diversified portfolio of loans

Is an Innovative Finance ISA available?

Yes. Zopa plans to launch their IFISA in the 2017/18 tax year.

Are there specific investor fees?

Zopa does not charge fees for investing.

Is early exit possible?

Yes, this is free with the Zopa Access account, however investors in a Zopa Classic or Zopa Plus account will be subjected to a 1% early sell out fee.

What investor protection is available?

There is no access to FSCS. However, Zopa Safeguard is a fund held in trust by a not-for-profit organisation called P2PS. Should a borrower get into financial difficulty, P2PS and Zopa will work in conjunction to give investors any money they are owed.

[Visit Zopa Website](#)

Risk Warning

This guide contains some information that has been sourced from www.zopa.com and was correct as of June 2017. Lending to individuals and early stage businesses involves a high level of risk and it should be done only as part of a diversified portfolio. Tax treatment depends on the individual circumstances of each investor and may be subject to change in the future. Your capital is at risk.

Platform Registration and Investment Process

Stage 1 – Registration Process

Registering with Zopa takes two minutes, you are asked for your basic contact details and a verification document in order to confirm your identity before you can begin lending.

Stage 2 – Making an Investment

Once you've successfully registered, you will be directed to the product comparison table where you can read information on the 3 Zopa Accounts: Access, Classic and Plus. You then select the account that suits your risk level, transfer money to your online 'My Zopa' account via bank transfer, standing order or cheque and begin investing.

Stage 3 – Managing your Investment

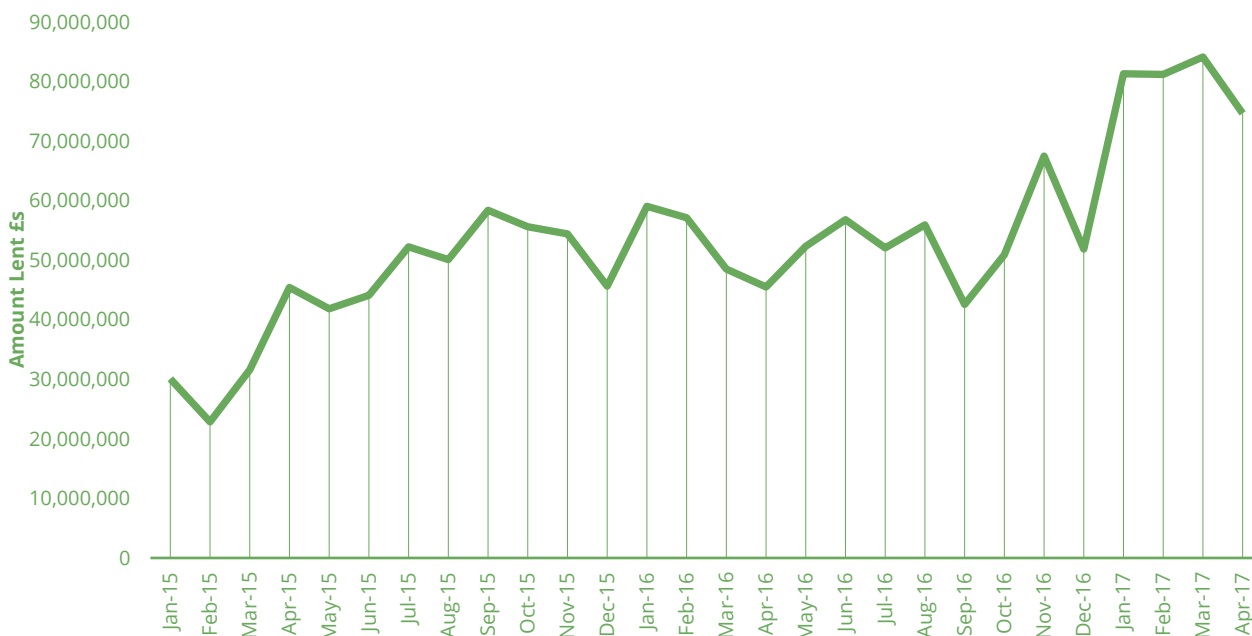
Via your 'My Zopa' dashboard you can login and manage your investment. Here you can view your current investment account and the current rate. If you want to move your money between different Zopa products you can also do that here, however, dependent on the account you may be charged a 1% fee for selling your loans.

Stage 4 – Exiting your Investment

Via the 'Lending Summary' page within your 'My Zopa' account you will be able to sell your loans onto other lenders should you have money lent out with borrowers that you want to withdraw.

Platform Performance Data

TOTAL AMOUNT LENT FROM JANUARY 2015 – APRIL 2017



Data based on internal records.

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