



# Auto-Invest Products

# Terms and Conditions

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February 2020

V1.1.



# THE HOUSE CROWD AUTO-INVEST SERVICE

Please note this is not a savings account. It is an investment. Returns are not guaranteed and you must understand the [risks involved](#) before investing. Your capital is not covered by the Financial Services Compensation Scheme.

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## **1. Our Agreement**

1.1. The Auto-Invest Service is provided to you by The House Crowd Limited (“The House Crowd”, “we”, “us”, “our”) which is authorised and regulated by the Financial Conduct Authority with firm reference number 725648.

1.2. These P2P terms and conditions (“P2P Terms”) set out the terms on which we will provide the Auto-Invest Service (the “Auto Invest Service”) and constitute our agreement with you as a lender (“P2P Lender”).

1.3. These P2P Terms are in addition to the Terms relating to your use of our Site, and to the extent there is a conflict between these P2P Terms and the Terms, these P2P Terms shall take precedence over the Terms.

1.4. If you wish to use the Auto-Invest Service as a P2P Lender, you must comply with these P2P Terms.

1.5. Capitalised terms shall bear the meaning in the glossary at the end. Capitalised terms that appear here that are not in the glossary will have the meaning given to them in the Terms.

## 2. How to become a P2P Lender

2.1. You can register as a P2P Lender by opening an account. Our use of the personal details you provide through the registration and investment process is subject to the terms of our [privacy policy](#) and website [terms and conditions](#). This product is available to UK investors only.

2.2. You can use your account to lend money through the Auto-Invest Service for the first time or through an existing account with us. The minimum investment and account balance is £1,000, and each new investment is subject to a minimum amount of £1,000 with increments of £100. If you have not provided us with a valid Nominated Bank Account into which such proceeds should be paid and we are unable to contact you within three months, we may pay such balances to a registered charity of our choice (provided your account has been dormant for at least 6 years). We may increase the minimum account balance requirement at any time upon providing you with one month's prior written notice.

2.3. As part of our FCA requirements, you will be required to undergo an assessment of your experience and knowledge (in peer to peer operations and products) prior to investing. You will also be required to classify your investor status, e.g. 'High Net Worth', 'Sophisticated' or 'Restricted/Retail'.

2.4. If we accept your application, we will provide you with your account details and the loans comprising your investment may be selected by the House Crowd from the range of the loans advertised on our Site from time to time, including bridging loans and property development loans (subject to Section 23 of these terms).

2.5. You must provide us with the account details of the bank account from which you intend to make and receive payments (your Nominated Bank Account). Your Nominated Bank Account must be in the same name as the person who is registered with us and must be held with a bank or building society ("credit institution") that is acceptable to us. We may accept or reject applications to create an account at our absolute discretion.

2.6. If you want to add funds to your P2P Portfolio, sell all or part of your P2P Portfolio or request us to move money between your account and your Nominated Bank Account, you can do this through your account, subject to certain restrictions as set out in these P2P Terms.

2.7. You may designate any part of the cash or loan capital on your account as being held in the account on behalf of a person under the age of 18. Any cash or loan capital designated in that way remains your property and does not become the property of the person it is held for.

2.8. The minimum term for all investments is 12-months and you may not withdraw funds during this timeframe. After the expiry of the minimum term, 30 days written notice is required for the return of capital (subject to our terms). Please email [member-support@thehousecrowd.com](mailto:member-support@thehousecrowd.com) if you wish to give notice after the minimum term has expired. Subject to our terms, your capital will be repaid by the end of the 30-day notice period, and your interest will be calculated up to but not including the date capital is repaid, and will be paid to you on the next semi-annual payment run (30th October or 30th April, whichever comes first).

### **3. Our P2P Services**

3.1. The Auto-Invest Service is a service which enables you to view the breakdown of your cash and investments held on the Site. The Site and these P2P Terms describe the basis on which we may add and remove P2P Loans to and from your P2P Portfolio from time to time, and by accepting these P2P Terms, you authorise us to transact in P2P Loans on that basis as your agent.

3.2. Your money will be used to fund individual P2P Loans and/or to fund loans to property developers, in accordance with our underwriting processes, which will be transferred to you and held within your P2P Auto-Invest Portfolio. We take steps to achieve diversification as set out in these Terms.

3.3. As part of the Auto-Invest Service, we shall allocate your funds that you set aside to the mandate for the auto-invest account (as outlined in 3.4). Your funds will only

be allocated to loans that match the mandated criteria. We aim to diversifying your portfolio as far as is practicable on an ongoing basis, in order to give you exposure to a range of Projects and Borrowers as new opportunities arise.

3.4 The House Crowd operates three levels of risk-based investment in our 'Auto-Invest' product; Cautious, Balanced and Bold. This allows investors to choose the level of risk they are comfortable with.

- ✓ The House Crowd Auto-Invest (Cautious) Product pays a target rate of 5% p.a.\* Interest is paid twice a year on the 30th of October and 30th of April – The maximum LTV or GDV (whichever is higher) for this product is 65%. The average Loan to Value in Bridging loans or Gross Development Value in Development loans is 60%. Interest can be compounded or withdrawn.
- ✓ The House Crowd Auto-Invest (Balanced) Product pays a target rate of 6% p.a.\* Interest is paid twice a year on the 30th of October and 30th of April – The maximum LTV or GDV (whichever is higher) for this product is 75%. The average Loan to Value in Bridging loans or Gross Development Value in Development loans is 70%. Interest can be compounded or withdrawn.
- ✓ The House Crowd Auto-Invest (Bold) Product pays a target rate of 7% p.a.\* Interest is paid twice a year on the 30th of October and 30th of April – The maximum LTV or GDV (whichever is higher) for this product is 80%. The average Loan to Value in Bridging loans or Gross Development Value in Development loans is 75%. Interest can be compounded or withdrawn.

All target rates above are subject to change and are target rates only. No returns are guaranteed. We will notify any current investors of changes to the target interest rate where they are impacted by such changes. Each product; Cautious, Balanced and Bold will operate within the same overall terms but with some minor differences to reflect the risks involved.

3.5. The Auto-Invest product is SIPP (Self-Invested Personal Pension) and IF ISA (Innovative Finance ISA) eligible. By investing in the 'Auto-Invest' product and electing to use either a SIPP or IF ISA, you confirm you are happy to operate under

both our 'Auto-Invest terms and conditions' (this document) as well as the relevant product terms and conditions for either 'IF ISAs' or 'SIPPs'. Any investors using the 'IF ISA' wrapper must be UK residents.

3.6. If the account you hold with us is in a company name, you cannot invest in an IF ISA through it as IF ISAs can only be held in individual names. You would need to open a new personal account with us and apply for an IF ISA via this.

#### **4. Making Additional Investments**

4.1. You will be able to invest additional amounts in your Auto-Invest Portfolio by applying to make a new investment via the website after you have set up your account. If you do wish to make an additional investment, please remember to do so via the website. We reserve the right to refuse to accept any particular transaction or to disable or add any funding method without notice in our sole and absolute discretion.

4.2. Each minimum investment is £1,000, and any new investments must have a minimum amount of £1,000 with increments of £100. Please note that every new investment you make is subject to a minimum term of 12 months and will be considered a new and separate investment within your portfolio.

#### **5. Interest Payments**

5.1. You may choose to be paid your interest to your Nominated Bank Account or automatically compound your interest. If you choose the latter, we will automatically re-invest interest proceeds into new P2P Loans, that will be held within your Auto Invest Portfolio in the same way as new funds added pursuant to section 4 (Making Additional Investments) above.

5.2. If your preference is to receive interest, it will be paid automatically into your bank account on a bi-annual basis each 30th October and 30th April. We make these interest payments in advance and on the basis that there is no bad debt. If bad debt

accrues in any interim period, we reserve the right to adjust the interest payments to cover the bad debt.

5.3. The target interest rate quoted is not guaranteed and may be subject to a lesser or zero interest rate should any form of loss be made on a loan or loans you are invested in.

5.4. All interest is paid gross and investors are responsible for their own tax liability.

## **6. Withdrawals/Selling P2P Loans**

6.1. As far as is practicable, we will diversify your Auto-Invest Portfolio on your behalf across P2P Loans with different maturity dates.

6.2. If, at any time, after the expiry of the Minimum Term, you wish to sell some or all your Auto-Invest Portfolio, you may request to do so through your account. You will not be able to sell individual P2P Loans but will be able to request to sell all or a specified proportion of all P2P Loans within your Auto-Invest Portfolio. If your P2P Loan is sold, you will receive the capital repayment, and any interest due will be paid on the next biannual interest payment date.

6.3. If you request to sell all or a proportion of your Auto-Invest Portfolio, we will attempt to realise your Auto-Invest Portfolio by finding replacement P2P Lenders to transfer your P2P Loans to. We cannot guarantee that it will be possible to find a buyer for your P2P Loans, which will depend on market conditions, so you may have to wait until some or all of your P2P Loans expire, and the Borrower repays you. Additionally, any loans in default cannot be sold, and return of associated funds will be subject to our terms (see “8. Security and payments following default”) Therefore, whilst the minimum Auto Invest individual investment term is 12 months, it may take longer to realise some or all of the loans in your portfolio and pay you the proceeds.

6.4. We may, in our absolute discretion, grant a request by you to terminate your Auto Invest investment within the minimum 12-month period, and if we do so, you shall not be entitled to any interest that has accrued at the date of such termination.

If we have paid interest to you in advance, you must repay all such interest to us at the point of termination.

6.5. Requests from multiple P2P Lenders to sell interests in Auto-Invest Portfolios containing P2P Loans will be processed in the order we receive the requests.

6.6. In order to protect the interests of new P2P Lenders, we will not sell any component of your Auto-Invest Portfolio which is in default.

6.7. The sale price for a portion of a P2P Loan will be equal to the outstanding capital due on the P2P Loan at the time of sale. Interest will only be payable on the designated bi-annual dates and interest paid shall be divided proportionately between you and the purchaser of your P2P Loan part based on the number of days the P2P Loan is held by each party.

## **7. Using the Auto-Invest Service through an Intermediary**

7.1. We do not provide any investment advice, tax advice or personal recommendations in respect of your Auto-Invest Portfolio or in relation to your decision to invest through the Auto-Invest Service. We shall not be liable for any losses you suffer or incur as a result of acting or deciding to act on the advice or recommendation of any third party (including your Intermediary) in relation to the Auto-Invest Service.

7.2. You acknowledge that it is your responsibility (or the responsibility of your Intermediary) to keep your financial circumstances, objectives and appetite for risk under review, and to assess whether investing in P2P Loans is suitable for your needs.

7.3. Sub-sections 2 to 6 of this section 7 (Using the Auto-Invest Service through an Intermediary) apply if you are introduced to the Auto Invest Service by an Intermediary who operates your account and deals with us on your behalf as your agent.

7.4. We have no responsibility for monitoring any on-going service which may be provided to you by your Intermediary.

7.5. We will treat your Intermediary as your agent for the purposes of providing the Auto-Invest Service and we will act on any instructions from your Intermediary as if they were instructions directly from you pursuant to these P2P Terms.

7.6. If your Intermediary's ongoing service comes to an end (for example, because you choose to cancel the service, or your Intermediary chooses to terminate its relationship with you or goes out of business) we will continue to hold the cash and investments in your account for your benefit, but you will not be able to control your account unless you notify us about the change in circumstances and prove your identity. We shall be entitled to continue to rely on any authority you have provided us to pay charges that are outstanding and due to the Intermediary.

7.7. If the relationship between you and your Intermediary comes to an end, you may appoint a new Intermediary to ensure that investing through the Auto-Invest Service remains suitable for you. The new Intermediary will need to register with us in order to have authority to operate your account.

7.8. We may contact and deal directly with you notwithstanding the fact you have appointed an Intermediary, for example and without limitation, where we know or suspect that your relationship with your Intermediary has come to an end.

## **8. Security and Payments Following Default**

8.1. We will carry out credit assessments on all Borrowers before approving their P2P Loan application. The Borrower will provide security in respect of each loan by granting a legal charge over property of enough value as is necessary to meet our lending criteria for each Auto Invest Product. We may also seek personal or corporate guarantees, where appropriate. The Security will be held on trust by the Security Trustee for the benefit of the Lenders and for our own benefit.

8.2. If a Borrower defaults on a P2P Loan and we are unable to recover the full amounts due from the Borrower in respect of interest and capital, the proceeds of recovery, net of any necessary third-party costs associated with such recovery, the Security Trustee shall apply the proceeds in the following order:

- a) first, for the benefit of P2P Lenders in paying any capital due under the P2P Agreements;
- b) second, for the benefit of the P2P Lenders in paying any interest due under the P2P Agreements; and
- c) third, for the benefit of The House Crowd Limited or House Crowd Finance Limited in respect of any fees or administration expenses owed.

## **9. Portfolio Management**

9.1. By opening your account and indicating your acceptance to these P2P Terms, you grant us full authority to act as your agent in entering into Contracts of Transfer, on a periodic basis, in order to enter into P2P Agreements and build your Auto-Invest Portfolio. You also grant us authority to manage the P2P Loans in your Auto Invest Portfolio and without prior reference to you, provided that our management activities are in accordance with these P2P Terms.

## **10. The Applicable Rate**

We are continually improving existing products and creating new products. The rate available to you when you open your account is shown on our Site. Available rates may vary from time to time.

If you invest additional funds at different times, the rates published at the time of such additional investments will apply to the additional funds.

If we vary the rate applicable to a particular auto-invest product, we reserve the right to close that product and open a new product at a target new rate. Additional funds will then be placed in the new product. Existing funds will remain in the original product at the original target rate.

## **11. Your Money**

11.1. You will be required to transfer your loan commitments as set out in section 4 (Making Additional Investments) into your account before you can enter any P2P Loan.

11.2. We will claim and account for all repayments, interest and other payments or entitlements received and due to you and credit them to your account. In most instances, we will not mix money in your account or the Security Trustee's account with our own money, other than fees and charges that are due to us out of your Auto-Invest Portfolio. The name of your account and the Security Trustee's account shall make it clear that they are held for the benefit of our clients and that the proceeds of the account should not be paid out to our general creditors in the event of our insolvency.

11.3. Any fees, charges or taxes we are legally required to deduct will be deducted before paying the net proceeds of any amounts due to you into your Nominated Bank Account. Where we make a tax deduction (or any payment required in connection with that tax deduction) which is required under the relevant tax law (including withholding of the basic rate of income tax), we will provide you with a statement (or other reasonably satisfactory evidence) that such tax deduction has been made or an appropriate payment has been made to the relevant tax authority. As a rule returns are paid gross and investors are responsible for their own tax liability.

11.4. After termination of your account, we will repay all sums due to you into your Nominated Bank Account. If we are unable to trace you to make such payment within 6 years, having made reasonable attempts to do so, we may pay your money to a registered charity of our choosing.

11.5. If you wish to change your Nominated Bank Account, you may only do so to another account in your name with a bank or building society based in the UK or in another country in our absolute discretion.

## **12. Cooling Off Period**

You have a cooling off period of 14 days where you can request the return of your money and we will return it to you as quickly as possible. If you exercise this option, you will receive no interest. Please email [member-support@thehousecrowd.com](mailto:member-support@thehousecrowd.com) if you wish to exit within this timeframe.

## **13. Terminating Your Account**

13.1. You may give us not less than the Minimum Written Notice Period after the minimum 12-month investment to terminate your account. Such notice will not entitle you to withdraw from the P2P Loans to which you are committed unless we are able to sell your Auto-Invest Portfolio in accordance section 6 (Selling P2P Loans) on your behalf. On receiving a notice to withdraw, we may pay out all outstanding balances at any time within thirty (30) calendar days of receiving such notice, and interest will stop accruing and shall no longer be payable from the date of such repayment.

13.2. We may, at any time and at our discretion, prevent you from committing funds to new P2P Loans or additional funds to existing P2P Loans.

13.3. We may, at our sole discretion, at any time after three months from the date of investment, repay you all or part of any loan commitment or investment you have made upon giving you thirty days' written notice.

13.4. We may, where we believe it to be desirable for legal or regulatory reasons or upon giving you Minimum Written Notice Period for any other objective reason, attempt to wind up your existing Auto-Invest Portfolio by selling your P2P Loan commitments to alternative Lenders in accordance with section 6 (Selling P2P Loans).

13.5. We may settle any P2P Loan commitment at any time after notice is provided under sub-sections 1 and 3 above, and interest shall stop accruing on the date such repayment is made.

13.6. After all outstanding transactions have been completed, we will provide you with a closing statement detailing the interest paid on your P2P Loans in the current tax or calendar year. Our responsibility for managing your account and your Auto-Invest Portfolio will then cease entirely.

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

## **14. Complaints and Compensation**

14.1. We endeavour to deliver a first-class service to our clients, but we recognise that there may be occasions when we fail to meet your expectations. If you have a complaint, then you can contact us through your account or by phone on 0161 667 4264 or by email at [member-support@thehousecrowd.com](mailto:member-support@thehousecrowd.com).

14.2. If we are not able to resolve the complaint to your satisfaction, you may have rights to refer the complaint to the Financial Ombudsman Service. Further details are available from the Financial Ombudsman Service, at [www.financialombudsman.org.uk](http://www.financialombudsman.org.uk). You may request a copy of our complaints handling procedure at any time.

14.3. Peer-to-Peer lending is not covered by the Financial Services Compensation Scheme. However, if the solicitor or credit institution holding your money in the House Crowd Client Account becomes insolvent, you may be able to claim compensation from the Financial Services Compensation Scheme. In such an event, we will inform you of the identity of the credit institution to enable you to pursue such claim. The maximum amount of compensation in respect of a UK credit institution is £85,000. Further details are available from the Financial Services Compensation Scheme, whose address is 7th Floor, Lloyds Chambers, Portsoken Street, London, E1 8BN and telephone contact details are 0800 678 1100 or email [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk) or [www.fscs.org.uk](http://www.fscs.org.uk).

## **15. Fees and Charges**

Our fees are paid by Borrowers and we do not currently charge you for your use of the Auto-Invest Service. However, we may introduce charges for exceptional transactions, provided that no such charges will be introduced retrospectively in relation to Auto-Invest Portfolios that were created before such charges were notified to you.

## **16. Delegation**

16.1. Any of our functions under these P2P Terms may be delegated to an associate or competent (and if relevant, appropriately regulated) third party of our choosing to perform such functions. We will use reasonable skill and care in our selection, monitoring and use of agents.

16.2. Collections may be outsourced by us or the Security Trustee to any third party.

## **17. Conflicts of interest**

17.1. If any conflicts arise which we could not effectively manage, we may not be able to provide our services to you.

17.2. It is possible that the Borrowers or other counterparties in a transaction or P2P Loan will be entities in which we, our associates or their clients have financial interests, or to which we or our associates provide services. Accordingly, we or any member of our group (including any associate) may be entitled to gains, profits or fees from or in relation to such companies and entities.

17.3. Subject to the terms of this section 18 (Conflicts of interest) neither we nor any of our associates shall be required to account to you for any profit, commission or remuneration made or received from or by reason of such transactions.

## **18. Variation and transfer**

18.1. We may, at any time, change these P2P Terms by giving you not less than the Minimum Written Notice Period, and such changes will take effect on the date specified in the written notice. For the avoidance of doubt, these changes may impact our fees and charges, or the level of service provided.

18.2. We may amend these terms if we believe it necessary in order to respond proportionally to changes in law and regulations.

18.3. We may also amend these P2P Terms to reflect changes to our systems, administrative processes and procedures, market practice or client requirements and to reflect other legitimate cost increases (or reductions) associated with providing the P2P Auto-Invest Service.

18.4. A variation to the Target Rate shall not constitute an amendment to these terms. Changes to the Target Rate will be published on the Site. A change in the Target Rate will not affect the rate applicable to your existing P2P Loans but is likely to affect the rate you receive on re-allocation or re-investment.

## **19. Liability**

19.1 You agree and acknowledge that we shall take on no liabilities, obligations or rights under any P2P Loan as a result of our authority to act on your behalf and you agree that you will continue to be solely liable for and responsible for the rights and obligations under any P2P Loan agreement and any Contract of Transfer.

19.2 We shall not be obliged to pay on to your P2P Loan repayments, interest or other sums due to you from Borrowers or other third parties unless we have received them.

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

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

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

19.6 We will act in good faith and with due diligence in managing your P2P Loans in accordance with these P2P Terms. Subject to subsection 5 of this section 20 (Liability), we accept responsibility for loss to you only to the extent that such loss is due to our negligence or wilful default.

19.7 Nothing in these P2P Terms shall exclude or restrict any liability we have to you under any applicable law or regulation.

## **20. Interpretation**

20.1. These P2P Terms shall be governed by, and construed in accordance with, the laws of England and Wales, and the appropriate Court of Law in England is to have non-exclusive jurisdiction in relation to all matters, claims and disputes arising out of or in connection with these P2P Terms. No other documentation or literature can be used as part of the P2P Terms.

20.2. It is not intended that any term contained in these P2P Terms shall be enforceable, whether by virtue of Contracts (Rights of Third Parties) Act 1999, common law or otherwise, by any person who is not a party to these P2P Terms save that third parties referred to in it, including the Security Trustee and Intermediaries, may rely on any authority granted to them under these P2P Terms, including the ability to accept our instructions to carry out functions on your behalf in accordance with these P2P Terms. Any group company of ours shall be entitled to enforce these P2P Terms on our behalf.

20.3. If any part of the wording of these P2P Terms shall become or is declared to be illegal, invalid or unenforceable for any reason, such part or wording will be deleted and shall be divisible from the rest of these P2P Terms, which will continue in force.

20.4. Our failure to exercise or delay in exercising a right or remedy provided by these P2P Terms or by law does not constitute a waiver of other rights or remedies.

20.5. The P2P Terms are supplied in English, and we will only be required to communicate in English during our relationship with you.

## **21. Notices**

21.1. We may send any communications to you through the account and/or at the email address which you provide to us in when opening your account (or to any updated email address that you may notify to us in writing from time to time). Any original documents will be sent to the last postal address you have notified to us. It is your responsibility to ensure that the contact details we hold for you are accurate and up-to-date contact. You must notify us of any changes to your email or postal address.

21.2. You may communicate with us by email at [member-support@thehousecrowd.com](mailto:member-support@thehousecrowd.com). If we require information to be sent to us by post, this should be sent to: The House Crowd, 91-95 Hale Road Hale, Cheshire WA15 9HW.

21.3. Notice sent by first class post to such address is deemed to have arrived on the second business day after posting. Notice sent by email or hand delivered is deemed to be delivered immediately (or on the next business day if sent after 5pm on a business day or on a non-business day). Telephone calls are recorded and monitored for security, training and monitoring purposes as set out in our privacy policy.

## **Glossary**

In these P2P Terms, unless the context otherwise requires:

“account” means the secure online account we open for each P2P Lender, through which P2P Lenders can view details of each of their Auto-Invest Portfolios;

“Auto-Invest Portfolio” means the loan portfolio you create through The House Crowd pursuant to these P2P Terms, comprising uninvested cash and the benefit of each P2P Loan we have entered into on your behalf and subject to any fees, charges or taxes due on the portfolio;

“Auto-Invest Service” means the service provided by us to you in accordance with these P2P Terms;

“Average loan to value” or “Avg. LTV” is the average ‘loan to value’ of a group of properties.

"Borrower" means the borrower under a P2P Agreement that we have entered into as your agent pursuant to a Contract of Transfer;

"Borrower Fee" means the fee due from the Borrower to us;

"Client Account" means a client account held by us on trust for P2P Lenders in accordance with FCA rules;

"Contract of Transfer" means the contract we enter into with each Borrower as your agent, effecting the transfer of a loan to you and creating a P2P Agreement between you and the Borrower, which is available upon request through the account;

"FCA" means the Financial Conduct Authority, which regulates firms operating electronic systems in relation to lending;

“GDV” or “Gross development value” is the value at which a property would sell in its current state on the open market.

“House Crowd Finance Limited” means the company with company registration number 10564875 - incorporated on 16 January 2017 with a registered office at 91- 95 Hale Road, Hale, Altrincham, England, WA15 9HW;

“Intermediary” means any adviser or other professional intermediary that may have introduced or directed a P2P Lender to the Auto-Invest Service;

"Lender" means a lender on whose behalf we enter into a P2P Agreement with a Borrower or, as the context dictates, a person who has applied to become such a lender.

“LTV” or “Loan to Value” describes the ratio of a loan taken out compared to the value of the security of that loan.

“Minimum investment” is the minimum amount of money required to invest in our ‘auto invest’ product(s).

Auto-Invest Portfolio’s “Minimum Written Notice Period” means 30 calendar days’ notice;

"Nominated Bank Account" means the bank account you nominate to receive the proceeds of your Auto-Invest Portfolio;

"P2P Lender" means the Lenders;

"P2P Loan" means a loan to a Borrower which is transferred to P2P Lenders, or a development loan;

"P2P Agreement" means the documentation constituting the agreement in respect of a P2P Loan between a P2P Lender and a Borrower;

"P2P Proceeds" means the proportion of the proceeds of recovery from a Borrower in default, net of third party fees and charges, that corresponds to the outstanding loan commitments of the P2P Lenders as against the total amount of loan commitments arranged through The House Crowd in respect of that Borrower;

"Security" means the security, such as a legal mortgage and/or guarantee(s) provided by the Borrower in respect of any P2P Loan, and available upon request through the account;

"Security Trustee" means the person we appoint to take security over the assets of Borrowers under secured P2P Agreements, as may be varied from time to time and which currently means the House Crowd (Security Agent) Limited;

"Site" means [www.TheHouseCrowd.com](http://www.TheHouseCrowd.com);

"Tax Year" means a year starting on 6<sup>th</sup> April and ending on the following 5<sup>th</sup> April (UK tax year).