

CapitalRise innovative finance ISA terms and conditions

CapitalRise Finance Limited Innovative Finance ISA Terms and Conditions

Please read your Innovative Finance ISA terms and conditions. You must accept these terms and conditions in order to open your Innovative Finance ISA account. These terms and conditions will apply in conjunction with the CapitalRise Website User and Investor terms and conditions.

1. Your Innovative Finance ISA account

1.1 Goji Financial Services Limited (Goji) will be the manager of your Innovated Finance ISA. Goji is authorised and regulated by the Financial Conduct Authority under firm reference number 805323. Goji is an approved ISA Manager by HM Revenue and Customs (no. Z2007). Goji is registered in England and Wales No. 10234133. Registered office: 133 Whitechapel High Street, London E1 7QA.

1.2 Your Individual Savings Account ("ISA") will be an Innovative Finance ISA (IFISA).

1.3 The IFISA is only available to customers who have an Investment account in their sole name and who are solely beneficially entitled to any cash or investments in the IFISA.

1.4 ISA investments will be, and must remain in, your beneficial ownership and must not be used as security for a loan.

1.5 CapitalRise may appoint another ISA Manager to manage your ISA from time to time upon providing you with 30 days' written notice. You shall be entitled to object to the transfer, but this may result in you ceasing to be able to hold your investments and cash in an ISA and the loss of tax benefits.

2. Opening an Innovative Finance ISA account

2.1 To open an IFISA, we must be in receipt of a completed ISA application, together with your payment for any amount between our stated minimum subscription up to the maximum annual subscription allowance for an Innovative Finance ISA.

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

2.3 When you open an IFISA we will ask you to make a declaration. Making this declaration will allow you to subscribe for an IFISA in the tax year that you make the declaration and for each subsequent tax year, provided you make a subscription to your IFISA every tax year. If you do not make a subscription to your IFISA one year then when you next want to subscribe to your IFISA you

will have to make a new declaration.

2.4 In accordance with the ISA Regulations you are not eligible to apply if you have already subscribed to another IFISA in the same tax year, or if you have already subscribed the maximum available allowance to a Cash ISA and/or Stocks and Shares ISA, in the same tax year as you are applying for this IFISA. These restrictions do not apply if you are:

2.4.1 transferring an existing IFISA from another ISA Provider to the IFISA (in circumstances where this is permitted under the ISA Regulations), or

2.4.2 where you have already subscribed the maximum allowance to a cash and/or stocks and shares ISA and this is transferred to this Innovative Finance ISA.

2.5 If you have any questions, doubts or issues relating to ISAs or your eligibility to hold an ISA, you should consult the HMRC website (<https://www.gov.uk/government/organisations/hm-revenue-customs>) or contact them directly.

2.6 Any documents evidencing your title to the IFISA investments will be held by us or as we may direct.

2.7 Goji may delegate functions under these terms and conditions to another person, including CapitalRise, where this is permitted by law. We will satisfy ourselves that any person to whom we delegate any of our functions or responsibilities under the terms agreed with the investor is competent to carry out those functions and responsibilities.

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

2.9 If you do not place any money in your account during a tax year, you will need to make a new declaration should you wish to make subscribe to your Innovative Finance ISA in the following tax year.

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

2.11 Subject to applicable law, we may decline the opening of an IFISA.

2.12 You must inform us if any declarations or confirmations you have made about your eligibility to hold an ISA no longer apply.

2.13 You must inform us immediately if you are no longer a UK resident or cease to perform duties of a Crown employee which are treated as being performed in the United Kingdom, or cease to be the spouse or civil partner of such a person.

3. Subscriptions and withdrawals

3.1 All cash in your IFISA will be held in Goji's client account in an account that is designated for the holding of ISA money and maintained in accordance with the CapitalRise Investor Terms and Conditions.

3.2 Subscriptions can be made into your IFISA by cash transfer from your Investment account. You can do this through your online Investment account.

3.3 All subscriptions must be in cash.

3.4 The initial subscription into the ISA must be at least equal to the minimum required investment amount specified by the CapitalRise website.

3.5 The maximum you can subscribe to an IFISA is the maximum ISA limit per tax year as prescribed in the ISA Regulations.

3.6 If funds are subscribed into your IFISA which exceed the amount prescribed in the ISA Regulations, then the excess subscription will be transferred to an Investment account.

3.7 You may make cash withdrawals from your IFISA; however, you cannot withdraw funds which are invested in a Bond unless through any existing redemption proposition or through the sale of your investment to an available purchaser as per the CapitalRise Website User and Investor Terms and Conditions. We will pay any cash sums (subject to the deduction of fees, if any) out of your Innovative Finance ISA to you within such reasonable period as you may stipulate, provided that the withdrawal process may take up to 30 days from the later of the date you sell your rights under the relevant bond and the date you notify us of the withdrawal request. If you stipulate a period of less than 30 days, we will try, but cannot guarantee that we will be able, to accommodate your request.

3.8 Your IFISA will be flexible as defined in the ISA Regulations. This flexibility means cash which is withdrawn can be replaced, in whole or part, within the same tax year and this will not affect your ISA subscription limit for that year. You will not be able to replace bonds if you cease to hold them in the IFISA.

3.9 You agree to reimburse us for any administrative fees, charges from HMRC or any tax authority incurred as a result of your failure to comply with ISA Regulations in opening your ISA, making subscriptions or the operation of your IFISA.

3.10 Our fees for administering your IFISA are paid by CapitalRise Finance Limited. This is financed out of the interest rate payable on the bond, which is generally between 0.5% and 1.0% lower when a bond is held within an IFISA as compared to when it is held in an Investment account. The interest rate on bonds subscribed for within an IFISA will not change by virtue of transferring them into an Investment account.

4. Cancellation

4.1 If you decide you no longer want an IFISA, you will have the right to cancel your account within 14 calendar days of the date your account is opened. You can do this by contacting us by written notice, phone or email.

4.2 When your account is cancelled, any investments and money credited to your ISA account will be transferred to an Investment account. You can then proceed to use your Investment account as per the Website User and Investor Terms and Conditions.

4.3 If you choose to cancel your IFISA within the 14 day cancellation period outlined in clause 5.1, you will remain eligible to open an IF ISA with us or another ISA manager. This will not apply if you cancel your IFISA after this period.

5. Account closure

5.1 If you wish to close your IFISA, you can do so by written notice or phoning us.

5.2 If you have subscribed to your IFISA during a tax year and then close the account, and do not arrange with another ISA provider to transfer the money in your account to them, you will not be able to subscribe to another IFISA with another ISA provider in the same tax year.

5.3 If you have subscribed to your IFISA during a tax year and then close the account, you will be able to re-open the account with us during the same tax year.

5.4 We may close your account with immediate written notice to you if we are directed to close it by HM Revenue & Customs.

5.5 If you or we close your IFISA, any investments and money credited to your account will be transferred to an Investment account. You can then proceed to use your Investment account as per the CapitalRise Website User and Investor Terms and Conditions.

5.6 In closing your IFISA we may deduct any sums due to us.

5.7 You will reimburse us any amounts required to be paid in tax or otherwise if you close your IFISA.

6. Void accounts

6.1 We will notify you, by reason of any failure to satisfy the provisions of the ISA regulations, if all or part of your IFISA has or will become invalid.

6.2 If the failure can be corrected, we will repair your IFISA. You will be charged £35.00 for the administration of an account if it is required to repair your IFISA.

6.3 If the failure cannot be corrected, your IFISA will be voided. You will be charged £35.00 for the administration of an account if it is required to void your IFISA.

7. Death or bankruptcy

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

7.2 When we receive notification of your death we will suspend all transactions and investments in your IFISA. ISA tax exemptions will no longer apply from the date of death.

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

7.4 Your IFISA will be valued for probate as at the death and dealt with as instructed by your executors.

7.5 We will support the setting up of an IFISA based on Additional Permitted Subscriptions (APS) for your spouse.

7.6 In the event of the death of an investor, we charge a fee of £60 to manage the administration with the deceased estate's executor. The deceased person's spouse can, subject to compliance with the ISA Regulations, set up an ISA using the deceased person's ISA allowance, which is called an Additional Permitted Subscriptions (APS). We charge a fee of £60 or 0.2% of the value of the APS (whichever is greater) to handle the administration costs of setting up an APS. We also charge an annual APS monitoring fee of £15 or 0.2% of the value of the APS per year (whichever is greater).

7.7 In the event of your bankruptcy, ISA tax exemptions will no longer apply from the date on which a trustee is appointed to manage your estate. Whilst you are bankrupt, your trustee will have the authority to request that we sell your bonds and/or send monies in your account to them.

7.8 When we receive notification of your bankruptcy we will close your Innovative Finance ISA and any investments and money credited to your account will be transferred to an Investment account.

7.9 A charge of £60.00 is applied for a valuation of the deceased's Innovative Finance ISA that may be required for Grant of Probate.

7.10 You will be charged £30.00 for the administration of an account should we receive a bankruptcy order.

8. Transfers in

8.1 You may transfer money into your IFISA with us from an existing ISA with another provider, in cash only. An online transfer-in form will need to be completed and then we will send you a Transfer Authority form to approve and sign. We can then arrange for the funds to be transferred to us from your existing ISA provider in accordance with your instructions and ISA Regulations.

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

8.3 We will not charge you for a transfer of an ISA from a 3rd party ISA plan manager to ourselves.

9. Internal transfer to ISA

9.1 Cash in your Investment account (non-ISA account) can be transferred into your IFISA so long as they are not currently invested in a Bond.

10. Transfers out

10.1 All transfers must be made in cash.

10.2 If you choose to transfer out funds from your IFISA to another ISA provider, you will be charged

a fee of £35.00.

10.3 You may transfer your current year's ISA subscriptions in whole, and/or parts of any funds (together with interest) in your account from previous tax years to another ISA provider in accordance with the ISA Regulations and these conditions. You will need to contact your other ISA provider to arrange a transfer and you can choose the date funds are transferred, subject to us being allowed a reasonable period to implement that transfer. That reasonable period shall not exceed 30 days and shall be consistent with the requirements of the ISA Regulations.

11. Existing Bond investments

11.1 If you are an existing Investments customer, you cannot transfer existing investments from your Investment account into your IFISA.

11.2 You can sell bonds in your Investment account and subsequently transfer non-invested money to your IFISA in accordance with condition 3.2. Selling bonds in your Investment account may trigger taxation on any gain. Selling bonds is subject to finding a purchaser, which may not be possible.

11.3 Bonds held within your IFISA may, subject to the CapitalRise Website User and Investor Terms and Conditions, be sold to an available purchaser and the proceeds of the sale retained within the IFISA pending investment, withdrawal or a transfer out.

12. Changes to Terms and Conditions

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

12.2 We may amend these Terms and Conditions if it believes it necessary to respond proportionally to changes in law and regulations.

12.3 We may also amend these Terms and Conditions to reflect changes to our systems, administrative processes and procedures, market practice or client requirements and to reflect other legitimate cost increases (or reductions) associated with providing your IFISA.

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

13. ISA Regulations

13.1 The management of your IFISA will be subject to the ISA Regulations. Any changes made by HMRC to the ISA Regulations that affect these terms will apply as soon as they come into effect.

13.2 We will inform you if your IFISA has or will lose its tax exemption through any failure to meet the ISA Regulations. If an investment which was previously allowed under the ISA Regulations

ceases to be allowed, will notify you and provide instruction to transfer it out of the account.

13.3 These ISA account Terms are based on our understanding of current law and HMRC's practice as at April 2016. These may change in the future and the favorable tax treatment of ISAs may not be maintained.

Definitions

"Business days" refers to any day other than Saturday, Sunday or a Bank holiday in England and Wales.

"CapitalRise" means CapitalRise Finance Limited

"Goji", "we", "us" or "our" means Goji Financial Services Limited.

"HMRC" means Her Majesty's Revenue & Customs.

"Investment account" or "general account" means your non-ISA account held with CapitalRise.

"IFISA" means Innovative Finance Individual Savings Account.

"ISA" means Individual Savings Account.

"ISA Regulations" or "Regulations" means the Individual Savings Account Regulations 1998 (as amended or replaced from time to time).

"Subscription" means any contribution made by you to your IFISA during a tax year that counts towards the annual subscription limits under the Regulations.