



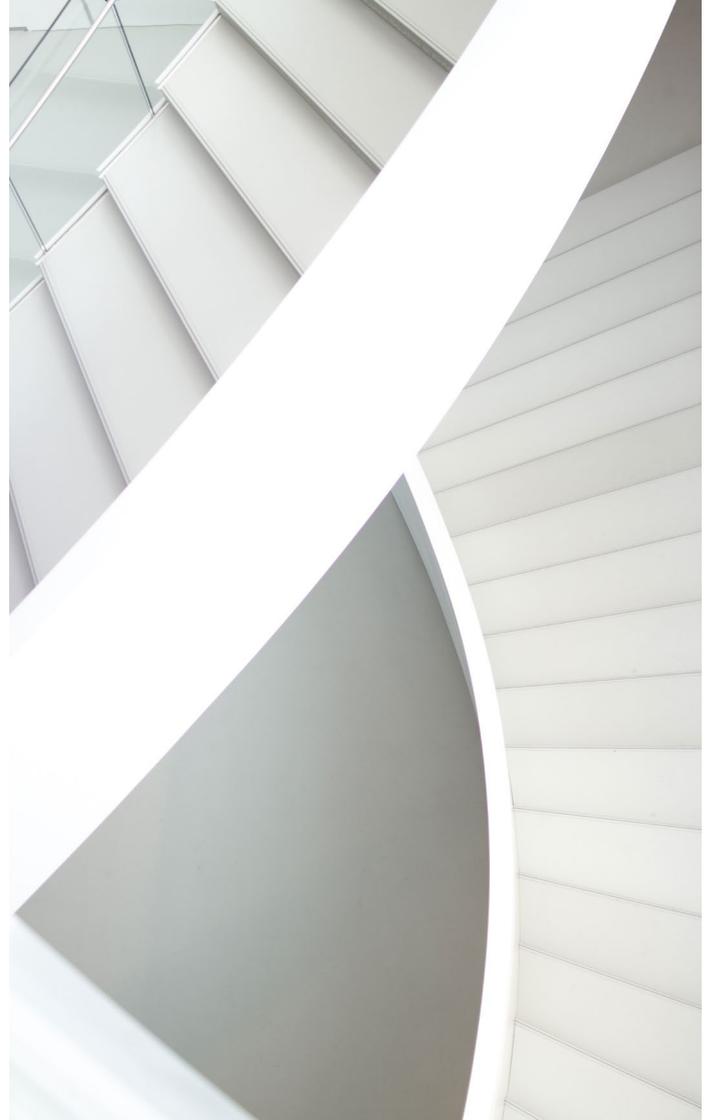
Introducing our  
Portfolio Innovative Finance ISA



## **Introducing the Money&Co. Portfolio Innovative Finance ISA**

There are now three types of Individual Savings Account (ISA) – the Cash ISA, the Stocks and Shares ISA and the Innovative Finance ISA. The Innovative Finance ISA (IFISA) allows you to lend money to UK small and medium-sized companies and get the interest received completely free of tax.

Money&Co. is a P2P lending platform. It is offering an IFISA, which will only invest in asset-backed loans. Bramdean Asset Management LLP (Bramdean), which is an FCA-regulated asset management company, is the ISA manager. Loans held in the Money&Co. Portfolio Innovative Finance ISA typically provide a fixed return of 7% per annum after all charges and investors receive this completely tax-free.





## What are asset-backed loans?

These are loans where Money&Co. has a charge on behalf of its lenders over an asset, usually a property. Money&Co. might have a first or second charge over the underlying property. In either case, Money&Co. will ensure that there is sufficient headroom to allow for any financial shocks and that it will be able to get money back for its lenders if the borrower is in default.

## How does Money&Co. select loans?

Money&Co. has a credit framework, which sets out certain criteria that borrowers must meet in order for a loan to be considered. When a borrower contacts Money&Co., a representative must complete an online credit application. Money&Co. has a system that then determines within 30 minutes if the application meets its borrower requirements. If it does, a credit analyst then picks up the application and contacts the borrower and arranges a meeting.

The credit analyst then writes a credit note and recommends a credit rating for the loan. Money&Co. has five credit ratings: A+, A, B+, B and C+. Asset-backed loans will generally have an A+ or A credit rating. The credit rating reflects the likelihood of there being a default. Money&Co.'s Credit Committee, which consists of the Chairman, the CEO and the Head of Credit, will consider the loan application and approve or decline it. Once approved, the loan is placed on the Money&Co. site for lenders to fill.



## **Example of an asset-backed loan funded by Money&Co.**

The company develops residential property. Money&Co.'s lenders have effectively provided bridge finance to allow the developer to purchase sites. Once planning consent has been received, Money&Co. lenders' money is redeployed into the purchase of the next site. Money&Co. lenders have a first charge over each site and, when the money is not being used, it sits in escrow with a legal firm.



## **How do investors in the Money&Co. Portfolio ISA get exposure to loans?**

A fund manager at Bramdean is responsible for the Money&Co. Portfolio ISAs and will select the loans for the underlying investors. There is no additional charge for this service and investors will pay the same annual fee of 1% as all other Money&Co. ISA investors.



## **Tax-free interest from your loans**

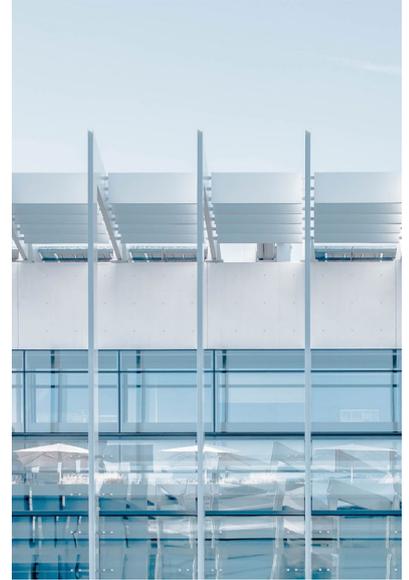
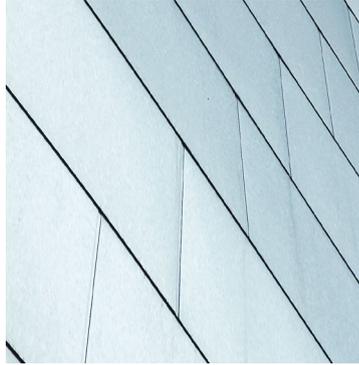
If you invest in the Money&Co. Portfolio IFISA, you can expect to get a yield of 7% net of fees completely tax-free. You can choose to pay out the income from your Money&Co. Portfolio IFISA twice annually, or you can keep the money in your account to reinvest in new loans. Your ISA allowance for the tax year 2018/19 is £20,000, which means that a married couple can invest up to £40,000 and generate tax-free interest of up to £2,800 per annum.

You can make a cash subscription for this year or transfer Cash ISAs, Stocks and Shares ISAs or IFISAs managed by other ISA managers from previous tax years to Money&Co.

You can only buy one IFISA, one Cash ISA and one Stocks and Shares ISA in each tax year. You can move money held in ISAs managed by other managers from previous tax years to the Money&Co. Portfolio IFISA. If you would like to do this, please fill in a transfer form, which is available on the Money&Co. Portfolio website [www.moneyandcoportfolio.com](http://www.moneyandcoportfolio.com) but please read the Lender Terms before doing so.

## Who can apply?

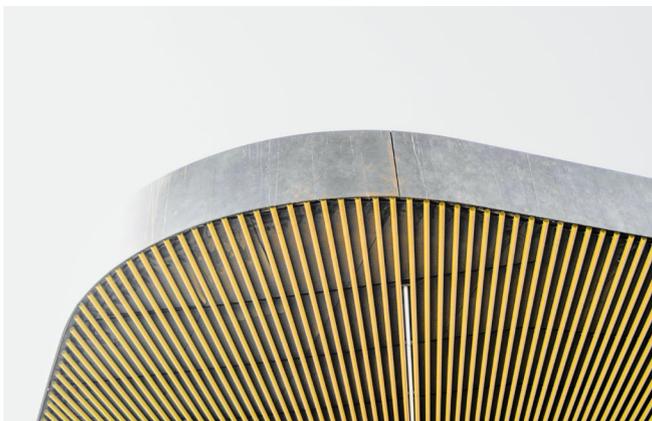
Applicants for the Money&Co. Portfolio IFISA must be over 18 years old and resident for tax purposes in the UK. It only takes a few minutes to fill in the online application on the Money&Co. Portfolio website and you will need your National Insurance number and bank account details. Before completing the application, please read the Lender Terms on the website.





## **Is the Money&Co. Portfolio IFISA a flexible ISA?**

Yes. Our IFISA has flexibility built in so you will be able to withdraw any income and pay it back into your Money&Co. account during the tax year without it being counted as part of your annual ISA allowance.



## **What happens if I want some or all of my money back?**

Loans will typically have a term of 5 years. If you want your money back before the end of the term of a loan or loans, Bramdean will put your loans, loan or part of a loan up for sale in the Money&Co. loan market. In the past, all loans that have been put up for sale have been sold within a few days, but it must be emphasised that there is no guarantee that it will be possible to sell your loans, loan or part of a loan.



## **Will my investment be protected by the Financial Services Compensation Scheme (FSCS)?**

Your loans will not be covered by the FSCS as P2P loans are specifically excluded from the part of the scheme that covers deposits made with banks, building societies and credit unions. However, as an FCA-regulated investment firm, Bramdean is covered by the FSCS and so, as a client of Bramdean, you will be protected. The maximum amount of compensation that an investor can get if an investment firm is in default under the FCA/FSCS definition is £85,000.

**If you haven't used your ISA allowance for this year, you must do so by 5 April 2019 or you will lose it. Apply for a Money&Co. Portfolio Innovative Finance Individual Savings Account online now at [www.moneyandcoportfolio.com](http://www.moneyandcoportfolio.com)**

If you would like more information about the Money&Co. Portfolio Innovative Finance ISA, please contact us as follows:

T: +44 (0) 20 3872 2970

E: [contact@moneyandcoportfolio.com](mailto:contact@moneyandcoportfolio.com)

Or write to us at Money&Co., 174 Hammersmith Road, Kings House, London, W6 7JP

If you lend through Money&Co., your capital will be at risk. The value of investments may go down and you could lose all or part of your investment. Private company investments are not listed on any market and this means that you may not be able to sell them when you want to do so. Your money will be managed by Bramdean Asset Management LLP (Bramdean) and loans held in your ISA will be provided by Money&Co. Money&Co.™ is the trading name of Denmark Square Limited and it is authorised and regulated by the Financial Conduct Authority (FCA). The company is identified on the Financial Services Register under Reference Number 727325. Bramdean is authorised and regulated by the FCA and is identified on the Financial Services Register under Reference Number 410624. Bramdean (ISA manager reference number Z1835) manages the Money&Co. Portfolio Innovative Finance ISA.



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