

London, 21 October 2015

## P2PFA unveils new transparency standards

The P2PFA today unveils new Operating Principles for its members which strengthen standards of transparency, risk management and governance in the P2P lending sector. This will ensure that P2PFA members continue to set the benchmark of good practice across the market.

Recognising the importance of maintaining high standards at this crucial stage of the sector's growth, the new measures require P2PFA platforms to publish debt data to a common standard, make their loan books transparent, and ensure that retail investors are on a level playing field with institutional investors.

The new principles supplement and reinforce the FCA's formal regulatory regime.

This announcement comes as new figures from the P2PFA show a further doubling in consumer, small business and property lending in the last year.

### Commenting on the new rules, Christine Farnish, Chair of the P2PFA said:

*"With almost £2 billion of new lending in 12 months, it's important that the P2PFA continues to set standards of good practice in the sector. Consumers can be confident that they are dealing with responsible platforms when they see the P2PFA logo.*

*"Our new Operating Principles set a benchmark of fair dealing and transparency. By the New Year, all our members will publish their full loan books, show bad debt losses in a comparable way, and commit to ensuring that retail investors get a fair deal compared with institutions.*

*"These new measures will help build further consumer confidence, demonstrate our commitment to ethical practice and set a beacon of good practice across the market."*

Today the P2PFA is holding its annual conference in London with City Minister Harriett Baldwin providing the keynote speech.

### ENDS

<b>Aggregate P2PFA member data</b>		<b>Q2 2015</b>	<b>Q3 2015</b>
Cumulative lending	£	3,150,647,547	3,733,497,726
Stock of loans (outstanding loan book)	£	1,615,443,628	1,874,378,251
New lending	£	507,336,204	607,251,430
Capital repaid	£	266,039,566	349,712,916
Net lending flow	£	235,955,472	251,344,022
<i>to consumers</i>	£	120,429,030	130,135,243
<i>to SMEs</i>	£	67,385,853	90,889,196
<i>on property</i>	£	48,140,590	30,319,584
Number of current lenders	#	116,377	121,441
Number of current borrowers	#	188,594	225,064

Platform	Cumulative lending	Base stock of loans	New lending	Capital repaid	Net lending flow	Net Lending to consumers	Net Lending to SMEs	Net Lending on property [2]	Number of current lenders	Number of current borrowers
Funding Circle	£844,270,200	£563,443,686	£146,058,160	£54,528,272	£91,529,888	£0	£66,302,902	£25,226,986	41,022	10,755
LandBay	£11,243,636	£11,243,636	£3,525,632	£0	£3,525,632	£0	£0	£3,525,632	663	59
Lendinvest	£420,730,712	£177,294,287	£71,792,605	£73,436,746	-£1,644,141	£0	£0	-£1,644,141	1,843	913
LendingWorks	£14,304,123	£10,989,497	£3,999,213	£1,094,655	£2,904,558	£2,904,558	£0	£0	1,031	2,711
MarketInvoice	£427,538,103	£31,334,666	£79,708,848	£73,514,356	N/A	N/A	N/A	N/A	165	1,373
RateSetter	£803,417,970	£448,928,939	£127,425,253	£74,087,006	£53,338,247	£30,814,424	£19,627,716	£2,896,107	22,467	107,724
Thincats	£130,765,000	£86,417,951	£14,118,000	£8,844,422	£5,273,578	£0	£4,958,578	£315,000	1,618	312
Zopa	£1,081,227,983	£544,725,590	£160,623,720	£64,207,459	£96,416,261	£96,416,261	£0	£0	52,632	101,217
Total	£3,733,497,726	£1,874,378,251	£607,251,430	£349,712,916	£251,344,022	£130,135,243	£90,889,196	£30,319,584	121,441	225,064

[1] Net lending is not a meaningful metric for short-duration lending due to frequent loan repayments and re-draw downs

[2] Property lending includes lending to both SMEs and consumers

Term	Definition
<i>Cumulative lending</i>	Total amount lent to individuals/firms since platform was established at end of period
<i>Stock of loans (outstanding loan book)</i>	Total amount of principal at end of period.
<i>New lending</i>	Amount originated in period
<i>Capital repaid</i>	Capital repaid in the period
<i>Net Lending</i>	New lending- Capital repaid
<i>Number of current lenders</i>	Number of lenders that have more than £1 lent out at end of quarter
<i>Number of current borrowers</i>	Number of borrowers with a loan as at the end of the quarter

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## Notes for Editors

For historical data, please visit our website at: <http://p2pfa.info/data>

The P2PFA is the industry body for peer-to-peer lending and works to promote high standards of business practice and an effective regulatory framework. Current membership includes Funding Circle, Landbay, Lending Works, LendInvest, Madiston LendLoanInvest, MarketInvoice, RateSetter, ThinCats and Zopa. Collectively P2PFA members serve over 90% of the current UK market.

Today's conference is the first time LendIt and the P2PFA have collaborated. LendIt hosts the leading annual alternative finance events in Europe, USA and China.

The London Hilton Metropole can be found [here](#).