



## **Fintech Pioneer Zopa announces plan to launch “Next Generation” Bank**

### **Banking licence will lead to extended range of savings and borrowing products**

- **Next Generation bank to sit alongside existing P2P business**
- **At launch, Zopa intends to offer FSCS protected deposit accounts and revolving credit products to supplement existing award winning loans<sup>1</sup> and peer-to-peer investor products**
- **Regulatory application process in early stages, application expected to take 15-24 months**
- **Zopa is uniquely placed to leverage banking licence and build upon stable 11-year track record in delivering simple loans and smart investments with higher customer satisfaction than high street banks<sup>2</sup>**

**LONDON, 16 November 2016:** Zopa, the world’s first peer-to-peer lender, announces their intention to launch a bank to enhance their market-leading peer-to-peer business.

The application for a banking licence will be made to the Prudential Regulation Authority (PRA), and the Financial Conduct Authority (FCA). Jaidev Janardana, CEO of Zopa said “The regulatory authorities in the UK have created an environment that encourages innovation, the adoption of new technologies and an increase in competition in the banking sector. Zopa has a history of creating innovative retail-facing financial services, driving consumer choice and transparency. We are responding to the positive regulatory environment and building on our experience to bring yet more choice to the market.”

At launch, Zopa’s next generation bank will extend the company’s existing suite of investor and borrower products by offering FSCS protected deposit accounts to savers and overdraft alternatives to borrowers.

Jaidev Janardana, CEO of Zopa said: “We launched in 2005 to create a richer life for everyone by making money simple and fair. We have lent over £1.8bn and inspired a £100bn global industry. We have built a profitable, scalable and viable business. Yet we’ve only just begun. We want to launch a next generation bank to drive greater choice for borrowers, savers and investors, which is good for consumers and good for the economy”.

He added “We are uniquely placed to re-define customer expectations of what a bank should deliver in the 21<sup>st</sup> century. Over the last 11 years we have delivered great value to borrowers and investors whilst prudently managing credit risk. Combining our pioneering data and tech-led culture with an obsession with

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<sup>1</sup> MoneySupermarket “Supers” Award Winner Loan provider of the year 2016  
<http://www.moneysupermarket.com/money/supers/>

<sup>2</sup> Zopa has an award winning personal loan product and a Trustpilot rating of 9.8/10; with the best-established UK bank having a rating of just 5.4/10\* and most household names failing to score more than 3/10\* (\*Trust Pilot scores as at 16 November 2016 from [www.trustpilot.com](http://www.trustpilot.com)).

fairness and customer experience, we are best placed to shape the future of personal finance in the UK.”

Adding a next generation bank to their pioneering peer-to-peer lending platform will provide further diversified sources of funding for Zopa, which already successfully attracts individual and institutional investors to lend on their platform. The diversity of funding will offer a strategic advantage over pureplay banking.

This announcement follows on from a record lending month in October 2016 and Zopa achieving profitability since September 2016.

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### **Notes to Editors**

#### **About Zopa**

[Zopa](#) is the UK’s leading peer-to-peer platform. Zopa matches smart borrowers looking for lower-rate loans with investors looking for higher interest. Since Zopa was founded in 2005, it has arranged more than £1.8 billion in peer-to-peer loans and has been voted MoneySuperMarket’s Best Personal Loans Provider 2016 and Moneywise’s Most Trusted Loan Provider seven years running.

Zopa is unique amongst its financial peers, in that it weathered the 2008 financial crisis without bailout and without its investors losing money.

Zopa is based in the UK and offers its products and services to UK customers.

#### **Key facts**

- Launched in the UK in 2005
- 187 staff in our London Office
- Zopa has lent over £1.82 billion to UK consumers
- Over the last 12 months lent over £650 million
- Over 63,000 lenders
- Total number of borrowers - 150,000+
- Average loan size - £7,300
- Average amount lent - £6,200
- Top three loan reasons: Car; Home improvements; Paying off credit cards

## **Key Awards**

- MoneySuperMarket Supers Awards Winner 2016: Best Personal Loans Provider
- Sunday Times Hiscox Tech Track 100 – 2016: Rank 36<sup>th</sup>, 2015: 41<sup>st</sup>
- The Deloitte Technology Fast 50: 35<sup>th</sup> 2015
- FinTech Excellence Awards; Winner 2016: Best Loan Provider
- Moneywise Customer Service Awards: Winner 2016: Most Trusted Loan Provider (Won six years in a row)
- Moneywise Customer Service Awards: Winner 2016: Most Trusted P2P Platform
- FS Tech Awards: Winner 2016: FinTech Deal of the Year