



## **Pension freedoms lead to surge in over-55s investing in peer-to-peer platforms**

**6 October 2015**

There has been a 21 per cent increase in the number of over-55s investing in peer-to-peer lending platform RateSetter since pension freedoms were introduced six months ago.

New figures from RateSetter show that since pension freedoms were introduced on 6 April, more than 2,300 new investors aged 55 or over have placed funds on the platform. Those approaching pension age typically invest significant sums with RateSetter - the average account is over £30,000. RateSetter's oldest lender, who is 102, has earned more than £1,000 in interest in the last two years.

Pamela Denny, who is 59 and lives in Surrey, plans to retire in the next two to three years said: "I've been taking advantage of pension freedoms by taking a tax-free lump sum to invest in peer-to-peer lending rather than buy an annuity. I tried a number of different peer-to-peer platforms and RateSetter was the one that worked best for me – as well as the good returns on offer, I find it easy to control my investments and I like the fact that I'm helping others by providing affordable loans to them."

Demand from people approaching retirement age who want to invest part of their pensions has been growing so strongly that RateSetter has formed partnerships with several self-invested personal pension (SIPP) providers, meaning that investors can take advantage of the tax-breaks they provide. RateSetter is the only major peer-to-peer platform that is open to SIPP investment.

"With plummeting returns from annuities, pension freedoms have been well received by investors planning for retirement", commented Rhydian Lewis, RateSetter's CEO and Founder. "We've seen a surge of investors coming to RateSetter directly and via Independent Financial Advisers and SIPP providers. Investing in peer-to-peer is becoming more mainstream and the introduction of Innovative Finance ISAs in April may further strengthen this trend."

RateSetter is one of the UK's largest peer-to-peer platforms, and has lent more than £800m to individuals and businesses since 2010.

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**Notes to Editors:**

**RateSetter** is one of the UK's largest peer-to-peer lenders, and has lent more than £365m in 2015. The platform offers a ground-breaking proposition that allows retail, institutional and corporate lenders to lend via an online platform at interest rates that they set. Capital is at risk, so RateSetter pioneered the "Provision Fund" model that has since become a common feature of the industry. Its Fund is the largest (£16 million) and has ensured that no individual lender has ever lost a penny since RateSetter launched in 2010, a unique feat amongst the major P2P platforms. In 2014, RateSetter became the first P2P lender to launch with a retail licence in Australia. In November 2014 RateSetter was named the FT's *Best Peer-to-Peer Lender*. In March 2015 Rhydian Lewis was named *FinTech Leader of the Year*. RateSetter is authorised and regulated by the Financial Conduct Authority.