



## RateSetter marketplace passes £1bn in record time

*"RateSetter is leading a quiet revolution in the way people invest and borrow"*

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RateSetter has helped investors to lend over £1bn to individuals and businesses across the UK, reaching the milestone in just 1,933 days – record time for a UK marketplace lending platform. The company believes it is now the largest online retail money market in the world.

RateSetter is unique in two key ways. Firstly, because of its goal of becoming a reference market for interest rates, it is the only finance provider which allows its customers to set the rate of return which they earn. Secondly, thanks to its pioneering "Provision Fund", it is the only major UK marketplace lender where no individual investor has ever lost a penny.

Michael Del Mar was among RateSetter's first investors in October 2010: *"I wasn't investing for anything in particular, just looking for a better rate. Over the five years I've been investing, rates on the platform have been significantly higher than any other investments, and I consider that the product comes with a manageable level of risk. For me, RateSetter has done precisely what it has set out to do."*

A growing base of over 30,000 customers now lend money through RateSetter. The vast majority – representing over 90% of the amount lent – are individuals who invest alongside businesses, schools, charities, investment funds and even a bank in the form of the Government-backed British Business Bank.

RateSetter now originates, underwrites and services loans to a diverse mix of individuals and businesses across the country, unlike other UK platforms which tend to focus on lending to a single sector. The number of active borrowers stands at over 185,000, a figure exceeding that of any other UK platform, partly thanks to partnerships with companies like giffgaff (part of O2) and the travel card company, Commuter Club.

Founder and CEO, Rhydian Lewis, commented: *"From the start our objective has been to disrupt the way people view interest rates in this country. We have started a quiet revolution – a step change in transparency on a fundamental price point in people's everyday lives – with interest rates set by the crowd, not by the banks. This is delivering real value: for example, compare our average one year interest rate of 3.7% to the average for a one year cash ISA at 1.17%."*

Over £500m was lent in 2015 and industry commentators predict an increase to £750m this year.

### RateSetter facts

- Launched by Rhydian Lewis and Peter Behrens, with the first approved loan on 7 October 2010
- 32,000 investors:
  - £31.5m in interest earned
  - No individual investor has ever lost a penny thanks to the Provision Fund (which stands at over £17m)
  - £2.7m largest investment; £10 minimum investment

- 89% are individuals, 8% businesses, schools and charities, the remainder are City investment funds and the British Business Bank
- 207,000 loans made:
  - 59% of lending is to individuals and 41% businesses, out of which 11% is to property developers
- Profitable and well backed:
  - Profit recorded two years running (2013-14 and 2014-15)
  - £20m equity investment from City fund managers including Woodford and Artemis in March 2015

## Notes to editors

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**RateSetter** is an online marketplace offering a ground-breaking proposition that allows people, institutions and businesses to invest at interest rates that they can set themselves. RateSetter's latest market rates can be found [here](#).

Our products are not covered by the Financial Services Guarantee Scheme and capital is at risk. RateSetter's Provision Fund has ensured that no individual investor has lost a penny since RateSetter launched in 2010 - a unique feat amongst the major players in our sector. All borrowers pay into the Provision Fund, which reimburses investors in the event that a borrower misses a payment.

In 2014, RateSetter became the first marketplace lender to launch with a retail licence in Australia. In December 2015, the platform won Best Peer-to-Peer Lender in the FT and Investors Chronicle Wealth Management Awards for the second year running. In March 2015 Rhydian Lewis was named *FinTech Leader of the Year*, and RateSetter was the highest-voted platform by Which? readers in July 2015.

RateSetter is authorised and regulated by the Financial Conduct Authority.

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