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RateSetter extends direct lending distribution network

Leading finance marketplace RateSetter has today announced a strategic partnership with personal loans provider George Banco and the acquisition of two specialist motor finance businesses as the platform widens its direct lending distribution network. This is part of RateSetter's strategy of building closer, direct relationships with borrowers and also marks the end of wholesale lending originations through the platform.

Peter Behrens, RateSetter's Chief Operating Officer, said:

"Our focus on direct lending supports our goal of delivering excellent risk-adjusted returns for investors and attractive finance to borrowers. To achieve this, we have invested in our direct origination capabilities by bolstering our in-house expert lending teams."

"Today's announcement builds on this – by extending our direct distribution network we build closer relationships with our borrowers and create more opportunities for future growth."

RateSetter previously provided wholesale finance to George Banco, a guarantor lending platform which plays an important role in increasing financial inclusion. RateSetter will now lend directly to George Banco's growing customer base, which currently stands at 10,000 people, with George Banco acting as introducer. RateSetter has also acquired an equity stake in George Banco.

Additionally, RateSetter has acquired specialist motor finance providers Vehicle Stocking Limited and Vehicle Credit Limited out of their parent company's administration. RateSetter intends to rebrand both businesses and invest in them to build on its current motor finance capabilities. RateSetter also previously provided wholesale finance to these businesses and will now deliver secured finance directly to their customers.

Marc Howells, George Banco's CEO, said:

"We are delighted to enter into this new partnership with RateSetter which will support the sustainable growth of our business and help us responsibly meet the needs of our customers."

Chris Burgess, MD of VCL and VSL, said:

"We are excited to join forces with the RateSetter team. Our established UK-wide network plus RateSetter's expertise in finance is a great combination that puts us in a strong position for future growth."

The announcement builds on RateSetter's strong growth over the last past seven years, during which time the platform's 50,000 investors have funded loans totalling £1.8bn to more than 300,000 individuals and businesses across the UK.

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Notes to Editors

RateSetter investors have lent over £1.8bn to UK individuals and businesses. The platform offers a ground-breaking proposition that allows investors to lend at interest rates set in an open market.

RateSetter pioneered the concept of a Provision Fund: all borrowers pay into the Fund, which reimburses investors in the event that a borrower misses a payment. RateSetter's Provision Fund has a 100% track record to date, but capital is at risk and RateSetter is not covered by the Financial Services Compensation Scheme.

In 2014, RateSetter became the first marketplace lender to launch with a retail licence in Australia. In November 2016, the platform won Best Peer-to-Peer Lender in the FT and Investors Chronicle Wealth Management Awards for the third year running. RateSetter was the highest-rated platform by Which? readers in both 2015 and 2016.

RateSetter is regulated by the Financial Conduct Authority.

More info is available at www.ratesetter.com

Follow us on Twitter [@RateSetter](https://twitter.com/RateSetter)

George Banco is one of the UK's largest guarantor lending platforms and plays an important role in increasing financial inclusion and helping people rehabilitate their credit profiles. George Banco is regulated by the Financial Conduct Authority.

Vehicle Credit Limited finances vehicle purchases for consumers. **Vehicle Stocking Limited** provides stocking loans to car dealerships. Vehicle Credit Limited is regulated by the Financial Conduct Authority.