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RateSetter and Experian team up to help businesses invest and grow

Peer to peer lender [RateSetter](#) and global information services company [Experian](#) are today announcing a new partnership which aims to help RateSetter make good credit decisions as it grows its commercial finance operation.

RateSetter investors have lent more than £2 billion to a diverse range of individuals and businesses across the UK since the platform launched in 2010, and around one third of RateSetter's active loans are to businesses. Business lending is spread across all major business sectors, from manufacturing to healthcare services to hotels and restaurants, with maximum loan size of £750,000 and current average loan size of £70,000.

As the number of small and medium-sized businesses applying to RateSetter for finance has continued to grow, the business keeps investing in its credit decision-making process. It has therefore entered into a partnership with Experian which is now providing credit reference data and analytical services that will ensure that RateSetter continues to deliver an excellent speed of service while maintaining a rigorous approach to assessing creditworthiness.

Oxfordshire-based marketing agency, Purple Frog, obtained finance from RateSetter Business Finance to make an acquisition in order to expand its service offering and grow. RateSetter used Experian's services as part of the credit assessment process.

Experian's Commercial Delphi scorecards are helping RateSetter assess potential credit risk of business applicants by obtaining a detailed understanding of their payment performance history and their ability to repay the finance applied for. This has enabled RateSetter to increase the number of applications it processes each month fourfold, from 150 to more than 600.

For example, Staffordshire-based Michael Balance Plastics Limited, supplier to the rubber and plastics sector, obtained £50,000 finance from RateSetter Business Finance upgrade their office. This was no ordinary office, however, as it was an 'office afloat' – a barge without an engine that had been fitted out as a place of work. Following the application via a broker, RateSetter completed the due diligence and agreed the deal with an hour, with the funds available the following day.

Paul Marston, RateSetter's Managing Director Commercial Finance, commented, *"Speed and accuracy are right at the heart of what we do – when a business approaches RateSetter for finance, they want an answer quickly so they can put their business plans in place. Working with Experian means that we have been able to greatly increase the number of applications that we can process each week without compromising on our credit processes nor our quality requirements."*

Max Firth, Managing Director of Business Information Services at Experian said, *"Looking at the increase in applications RateSetter has been able to process over a short period of time, and the role*

Experian has played in helping them, is particularly satisfying when you remember it's helping small businesses to grow. It's vital that smaller enterprises have as many routes to funding as possible, and our work with RateSetter broadens their options."

RateSetter Commercial Finance stands out in the business finance market with a proposition that combines speed and flexibility with robust credit processes.

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Notes to Editors

About RateSetter

RateSetter has grown from start-up in 2010 to a platform that has originated more than £2bn of loans. It has over 250,000 active customers, making it one of the largest FinTech businesses in the UK.

RateSetter pioneered many firsts in peer-to-peer lending, including the Provision Fund model. All borrowers pay a risk-adjusted premium into the Provision Fund, which reimburses lenders in the event of a borrower default. The Provision Fund has ensured that all lenders have received the capital and interest that they expected, but it is not a guarantee of safety. Capital is at risk and RateSetter is not covered by the Financial Services Compensation Scheme.

The interest rate in the RateSetter market is set by the supply of, and demand for, money, not by the platform itself. The aspiration is that this rate will become a benchmark rate for money.

In 2014, RateSetter became the first peer-to-peer 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 2015, 2016 and 2017.

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)