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RateSetter investors pocket £100 million

Peer-to-peer lending platform RateSetter has passed the milestone of returning £100 million in pre-tax interest payments to its investors - without any individual investor losing a penny.

RateSetter launched in October 2010 with the purpose of giving people the opportunity to earn more on their money by allowing them to lend directly.

In total, the platform has over 500,000 customers - more than any other UK peer-to-peer lender. 60,000 registered RateSetter investors have lent almost £2.5 billion to 450,000 individuals and businesses across the UK. The average annual return received by investors stands at 4.4%.

RateSetter introduced its Innovative Finance ISA in February 2018 and, in the space of just three months, it has received more than £80 million in subscriptions from 10,000 investors.

RateSetter CEO and founder, Rhydian Lewis OBE, said:

“We launched RateSetter to give people the opportunity to get their money working harder, and we are very proud that we’ve generated £100 million of interest for our investors without dropping a penny.

This is just the start. We are opening lending as an asset class that everyone can access – filling the gap between the low returns of cash deposits and the volatility of shares.”

To date, every individual investor has received all the capital and interest that they expected thanks to the Provision Fund, a concept pioneered by RateSetter, which spreads each investor’s risk across the whole loan book and provides a buffer against poorly performing loans. RateSetter borrowers pay into the Provision Fund and, if a borrower misses a payment, the Fund steps in to reimburse the investors. The track record over the last eight years is impressive, but it is not a guarantee for the future and capital is at risk.

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Notes to Editors

About RateSetter

RateSetter launched in 2010 to give people the opportunity to earn more on their money by allowing them to lend directly. This new asset class fills a gap for the retail investor between the low risk, low reward of cash and the high return, high volatility of shares.

RateSetter has originated almost £2.5bn of loans to individuals and businesses across the UK and generated £100m in interest for its investors.

RateSetter pioneered many firsts in peer-to-peer lending, including the Provision Fund model. The Provision Fund diversifies all investors' risk across the whole loan pool and provides protection against bad debt. The Provision Fund has ensured that, to date, every individual RateSetter investor has received their capital and interest in full. Lending on RateSetter is an investment and capital is at risk. The investment is not covered by the Financial Services Compensation Scheme for bank savings.

RateSetter brings together those providing capital with those using it. The interest rate on the platform is set by supply and demand of money, resulting in a daily market rate that is becoming a benchmark for what lenders can earn.

In 2014, RateSetter became the first peer-to-peer lender to launch with a retail licence in Australia.

RateSetter has won Best Peer-to-Peer Lender in the *FT and Investors Chronicle Awards* for three consecutive years. It has been the highest rated P2P lender by *Which?* readers for the last three years. In January 2018, it won Best Peer-to-Peer Provider in the *MoneyFacts Consumer Awards* for the third consecutive year.

In June 2017, RateSetter's CEO and founder, Rhydian Lewis, received an OBE for contribution to financial services and specifically innovation in financial inclusion. The term *financial inclusion* normally refers to 'access to credit'; the purpose of RateSetter is also to give 'access to returns'.

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)