



4 July 2019

### **£250 million subscribed to the RateSetter ISA**

RateSetter, the UK's most popular peer-to-peer lender, has revealed that at the end of June its ISA had attracted more than £250m in subscriptions.

Launched in February 2018, the RateSetter ISA is understood to be the most popular Innovative Finance ISA in the market, with £50m of ISA inflows received in the last three months alone.

Around 22,000 RateSetter investors (1 in 3 investors) hold a RateSetter ISA and the average account balance is £11,500, which is higher than the average balance for Cash ISAs (£5,114) and Stocks & Shares ISAs (£10,124)<sup>1</sup>. RateSetter ISA investors are enjoying an interest rate of 4.5% per annum on average.

Recent data collected by the Tax Incentivised Savings Association (TISA) suggest that the Innovative Finance ISA market recently reached £1bn in subscriptions. During 'ISA season', RateSetter accounted for over 50% of IF ISAs opened with TISA members in the month to 5th April 2019.

Mario Lupori, Chief Investments Officer at RateSetter, said:

*"Only 18 months ago the RateSetter ISA was an unknown quantity, but now the numbers speak for themselves. Our ISA has quickly attracted £250m and with a combination of steady, tax-free returns and well-managed risk it is becoming a real alternative to Cash ISAs. It's clear that peer-to-peer investing is becoming a mainstream investment option."*

More than 600,000 customers have used RateSetter to invest or borrow, making it the UK's most popular peer-to-peer platform. RateSetter has originated £3.3bn of loans, generating more than £135m in returns for investors to date.

RateSetter's Provision Fund has ensured that every investor has received all the capital and interest that they expected by spreading each investor's risk across the whole loan portfolio (currently £875m) and acting as a buffer against poorly performing loans. The track record over the past eight years is impressive, but it is not a guarantee for the future and capital is at risk.

**ENDS**

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<sup>1</sup> Source:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/797786/Full\\_ISA\\_Statistics\\_Release\\_April\\_2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/797786/Full_ISA_Statistics_Release_April_2019.pdf)

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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.

More than 600,000 people and businesses have used the platform to invest or borrow, making RateSetter the UK's most popular peer-to-peer platform. RateSetter has originated more than £3.3bn of loans to people and businesses across the UK and generated over £135m in interest for its investors.

In April 2019, RateSetter became the first peer-to-peer business to be awarded the prestigious Queen's Award for Enterprise in recognition of its innovation in financial services.

RateSetter has pioneered many firsts in peer-to-peer lending, including the Provision Fund model. The Provision Fund diversifies each investors' risk across all loans under management and provides protection against bad debt. As a result, to date, every individual RateSetter investor has received their capital and interest in full. Lending with RateSetter is an investment and capital is at risk. The investment is not covered by the Financial Services Compensation Scheme.

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 has won Best Peer-to-Peer Lender in the *FT and Investors Chronicle Investment and Wealth Management Awards* for four consecutive years. It has been the highest rated P2P lender by *Which?* readers for the last three years. In January 2019, it won Peer-to-Peer Provider of the Year in the *MoneyFacts Consumer Awards* for the fourth consecutive year.

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

RateSetter is regulated by the Financial Conduct Authority.

More information is available at [www.ratesetter.com](http://www.ratesetter.com). Follow us on Twitter [@RateSetter](https://twitter.com/RateSetter).