

GETTING STARTED WITH RATESETTER

WELCOME TO RATESETTER

You're joining hundreds of other Australians who are lending to creditworthy borrowers on the RateSetter Lending Platform.

This guide will help you get started with RateSetter. It provides an overview of basic platform functionality, including how to create your first lending order. It also provides a few tips that will help you get the most out of your RateSetter account.

For more detailed information on lending through the RateSetter Lending Platform, as well as a description of the benefits and risks of investing, please read our [Product Disclosure Statement](#).

As always, if you have any questions about RateSetter please don't hesitate to contact our friendly customer services team on 1300 768 710, or alternatively email us at contact@ratesetter.com.au.

VIEW YOUR RATESETTER ACCOUNT

Account summary

Login to your RateSetter account at www.ratesetter.com.au. You will arrive at your account summary, similar to that shown below. The 'Account Summary' table provides an overview of your funds 'on loan', 'on market', and in your 'holding account'. The 'Account Detail' table provides more detailed information about funds transferred in, withdrawn, and interest earned.

Don't worry if you're unsure about any of the terms above – they're explained further in the remainder of this guide.

Click to view your account summary

Click to transfer in funds

On loan: \$101,155.36 On market: \$55,305.31 Holding account balance: \$20,000.00 Account number: XX-XXXX-XXXX

Your RateSetter account

Transfer Funds In Lend View Portfolio Provision Fund

Account Summary

On loan	\$101,155.36	
On market	\$55,305.31	Unmatched: \$55,305.31 - Change or Cancel orders
Holding account	\$20,000.00	
Total	\$176,460.67	Transfer Funds In

Account Detail

Sources		Uses	
Transferred in	\$175,000.00	Holding account	\$20,000.00
Promotions	\$0.00	On loan	\$101,155.36
Interest earned	\$1,622.22	On market	\$55,305.31
Less interest margin fees paid	(\$161.55)	Withdrawals	\$0.00
Less withholding tax	\$0.00		
TOTAL	\$176,460.67	TOTAL	\$176,460.67

Last Matched Rates

1 MONTH
3.4% at 09:17

1 YEAR
4.0% at 09:25

3 YEAR INCOME
8.0% at 09:24

5 YEAR INCOME
9.4% at 22:45

Transfer in funds

You need to transfer funds in to your RateSetter account before you can start lending. Click the 'Transfer funds in' link highlighted above to start this process.

You can transfer in funds by BPAY or bank transfer. If you choose to transfer in funds via bank transfer, please make sure you specify the payment reference we provide on screen during the transfer process to help us identify your funds.

We will confirm by email when your funds have been received and are available in your holding account. Funds will ordinarily be received in your holding account on the next business day after you make a transfer, depending on your bank.

CREATE A LENDING ORDER

Lending markets

You can lend in five different lending markets. In the 1 Month and 1 Year lending markets you receive interest payments monthly, and your principal at the end of the indicative term. In the 3 Year Income, 5 Year Income and Green Loan lending markets you receive monthly payments of both interest and principal.¹

To create a lending order, simply choose a lending market, an amount and the rate at which you wish to lend.

Before you create a lending order, you may wish to click the 'View Full Market' link to review orders that other lenders have on market.

The screenshot shows the 'Create a new lending order' page for the '3 Year Income lending market'. The interface includes a top navigation bar with tabs: 'Your Lending' (active), 'RateSetter Data', 'Account Settings', 'Earn More', and 'Help Centre'. On the left, a sidebar menu lists 'Account summary', 'Holding account', 'Lend money' (with options: 1 Month, 1 Year, 3 Year Income (selected), 5 Year Income, Green Loan), 'Reinvestment settings', 'Your loans and orders', 'Holding account history', and 'Annual tax statements'. Below the sidebar is a 'Last Matched Rates' table.

Last Matched Rates		
1 MONTH	3.2%	at 15:21
1 YEAR	4.0%	at 13:04
3 YEAR INCOME	7.5%	at 14:49
5 YEAR INCOME	9.0%	at 15:36
GREEN LOAN	6.4%	at 15:20

The main content area is titled 'Create a new lending order' and '3 Year Income lending market'. It contains two sections: 'Select an amount to lend' and 'Select a rate'. The 'Select an amount to lend' section shows a message: 'Funds available in your holding account: You have insufficient funds to create a lending order. Lending orders must be a minimum of \$10.00'. Below this is an 'Amount to lend' input field. The 'Select a rate' section shows a message: 'Currently, the next lending order to be matched in this market will be at a rate of 7.5%'. Below this are three radio button options: 'I wish to lend at 7.4%', 'I wish to lend at 7.5%', and 'I wish to lend at a different rate'. At the bottom of the main content area is a 'Review' button. Four numbered callouts point to specific elements: 1 points to the '3 Year Income' option in the sidebar; 2 points to the 'Amount to lend' input field; 3 points to the 'I wish to lend at 7.5%' radio button; and 4 points to the 'Review' button.



Tips

- » The amount you choose for a new lending order cannot be greater than the amount in your holding account.
- » You may wish to explore information in the RateSetter Data tab at the top of the screen to help inform your lending decisions.
- » Remember, the lower your rate, the faster your funds are likely to be matched to loans.
- » Market rates move regularly. Just like any market or exchange you should check your orders regularly.
- » You do not need to choose the borrowers to whom your funds are matched, as this is performed automatically by our information technology systems.

¹ You may receive your funds back in your RateSetter holding account earlier than anticipated, or you may not receive your funds until after the indicative term. See our [Product Disclosure Statement](#) for further details.

SET YOUR REINVESTMENT SETTINGS

When you first create your RateSetter Account, payments you receive in relation to loans are paid into your holding account. As funds in your holding account do not earn interest, you may wish set your reinvestment settings so that payments received are automatically reinvested.

The screenshot shows the 'Reinvestment' settings page in the RateSetter interface. The page has a top navigation bar with 'Your Lending', 'RateSetter Data', 'Account Settings', 'Earn More', and 'Help Centre'. The 'Account Settings' tab is active. On the left, there's a sidebar with 'Account summary', 'Holding account', 'Lend money', 'Your loans and orders', 'Holding account history', and 'Annual tax statements'. The 'Reinvestment settings' link is highlighted in the sidebar. The main content area is titled 'Reinvestment' and 'Settings'. It explains that reinvestment settings allow automatic reinvestment of payments. Below this is a table with columns: 'Payments received in this lending market', 'Will be transferred to/reinvested in', 'Amount to transfer/reinvest', 'At the market rate', and 'At your specified rate'. The table has rows for '1 Month', '1 Year', '3 Year Income', '5 Year Income', and 'Green Loan'. Each row has dropdowns for the transfer destination and amount, and checkboxes for 'At the market rate' and 'At your specified rate'. A 'SAVE' button is at the end of each row. Callout 1 points to the 'Reinvestment settings' link in the sidebar. Callout 2 points to the 'Your loans and orders' section in the sidebar. Callout 3 points to the 'At the market rate' checkbox in the table. Callout 4 points to the 'At your specified rate' input field in the table. Callout 5 points to the 'SAVE' button in the table.

1 Click to set your reinvestment settings

2 Select the lending market for payments to be reinvested

3 Choose whether just the capital component or the entire payment will be reinvested

4 Invest at the market rate or specify a rate

5 Save your selections for each lending market



Tips

- » Reinvestment settings can help to minimise the time that your funds are not earning interest.
- » You may wish to check your holding account from time to time in order to ensure you do not have funds sitting idle.

REVIEW YOUR LOANS AND ORDERS

Keeping track of your funds on loan and your lending orders is straight forward.

To see the amounts you have on loan and the average rate of your loans in each lending market, click the 'Your loans and orders' link. Amounts 'on market' represent lending orders that have not yet been matched to a loan or series of loans or alternatively have been matched but are still to be drawn.

Your Lending

RateSetter Data

Account Settings

Earn More

Help Centre

Account summary

Holding account

Lend money

Reinvestment settings

Holding account history

Annual tax statements

Last Matched Rates

On loan: \$101,155.36 On market: \$55,305.31 Holding account balance: \$20,000.00 Account number: XX-XXXX-XXXX

Loans and orders

Summary by Lending Market

Lending market	Amount	Rate ⁽¹⁾	On market ⁽²⁾	Reinvestment
1 Month	\$70,945.66	3.6%	\$34,207.00	Market Rate
1 Year	\$7,608.57	4.2%	\$16,608.31	1 Month at Market Rate
3 Year Income	\$17,228.48	8.0%	\$5,000.00	1 Year at Market Rate
5 Year Income	\$5,126.65	9.1%	\$0.00	Holding Account
Green Loan	\$0.00	-	\$0.00	-
Total	\$101,155.36	5.2%	\$55,305.31	

(1) Weighted average rate

(2) Funds that have been matched and are waiting for a loan to be completed (maximum 24 hours) or funds that are unmatched on a lending market

Borrower Payments

View payments by month

Month to view: November 2017

Order payments: By Loan By Date

Filter by lending markets: Monthly 1 Year 3 Year 5 Year Green Loan

View

Click to review your loans and orders

Amounts 'on loan' are shown by lending market

Amounts 'on market' have not yet been matched or are still to be drawn



Tip

- » If your funds have been 'on market' for some time, you may choose to lower your lending order rate to help ensure your funds are matched more quickly.

LOANS & ORDERS - MORE DETAILS

Click the relevant lending market link to see additional details about your loans and orders in a specific lending market.

Your Lending

RateSetter Data

Account Settings

Earn More

Help Centre

Account summary

Holding account

Transfer funds in

Withdraw funds

Lend money

1 Month

1 Year

3 Year Income

5 Year Income

Green Loan

Reinvestment settings

Your loans and orders

1 Month

1 Year

3 Year Income

5 Year Income

Green Loan

Holding account history

Annual tax statements

On loan: \$101,555.36 On market: \$55,305.31 Holding account balance: \$20,000.00 Account number: XX-XXXX-XXXX

Your loans and orders

1 Month lending market

Summary

On loan	\$70,945.66	@ 4.0%	
On market			
Matched	\$0.00	-	Loan confirmation and formation pending
Unmatched	\$34,207.00		Change Cancel
Actions			
Reinvestment settings	1 Month at Market Rate		Change

Unmatched

Date order placed	Reference	Amount	Rate		
30/11/2017	E811728891559	\$5,000.00	4.2%	\$9.0k	Change Cancel
30/11/2017	E811685502160	\$20,000.00	4.5%	\$16.0k	Change Cancel
30/11/2017	E811908977895	\$9,207.00	4.6%	\$39.0k	Change Cancel
Total unmatched funds		\$34,207.00			

Matched

Date order placed	Reference	Amount	Rate
No matched orders			

On Loan

[Your funds on loan](#)

[Your repaid loans](#)

Select the lending market you wish to review

A summary of your loans and orders in this lending market

Unmatched lending orders

Lending orders that have been matched but not yet drawn

View scheduled payments for your funds on loan



Tips

- » Your entire lending order doesn't need to be matched to a loan or series of loans all at once. If your lending order is partially matched the remainder will remain 'on market'.
- » Click 'Change' or 'Cancel' to amend an unmatched lending order.

DIVE INTO THE DATA

The 'RateSetter Data' tab provides access to information that may assist your understanding of our lending markets, our credit track record and the Provision Fund. This information may also help you determine rates for your lending orders.

Lending markets

Click the 'Lending markets' link to view a summary of lender and borrower orders in each lending market. Lender orders are on the right side of each lending market table and borrower orders may appear on the left.

Click to view Lending Market data

RateSetter Data tab

Your Lending | **RateSetter Data** | Account Settings | Earn More | Help Centre

Account number: XX-XXXX-XXXX

Lending markets

The tables below show the current orders in each RateSetter lending market.

Last Matched Rates

1 MONTH: 3.3% at 10:52

1 YEAR: 4.0% at 10:44

3 YEAR INCOME: 8.0% at 10:33

5 YEAR INCOME: 9.1% at 10:51

GREEN LOAN: 6.5% at 23:03

1 Month

Borrowers	Rate	Lenders
	>>3.6%	\$1.1m
	3.5%	\$36.4k
	3.4%	\$10,071.22
\$7,883.20	3.3%	
View Full Market		

1 Year

Borrowers	Rate	Lenders
	>>4.3%	\$150.9k
	4.2%	\$46.7k
	4.1%	\$64,689.02
\$2,401.18	4.0%	
View Full Market		

3 Year Income

Borrowers	Rate	Lenders
	>>8.2%	\$76.7k
	8.1%	\$63.4k
	8.0%	\$2,001.00
\$208.25	8.0%	
\$49,112.36	7.9%	
View Full Market		

5 Year Income

Borrowers	Rate	Lenders
	>>9.4%	\$549.4k
	9.3%	\$128.2k
	9.2%	\$23,689.53
\$8,140.35	9.1%	
View Full Market		

View more orders in this lending market



Tip

- » Don't worry if you can't see any borrower orders on this page - borrower orders are ordinarily only visible for a brief period of time before they are matched to lending orders.

DIVE INTO THE DATA - MORE DETAILS

Rate history

Click the 'Rate history' link to see the evolution of matched rates for each lending market since inception.

Account number: XX-XXXX-XXXX

Rate history

Rate Chart

1. Select date range

Show From:

Show To:

[Update](#) [Reset](#)

2. Select data to view

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Weekly Volume	CPI	1 Month	1 Year	3 Year Income	5 Year Income	Green Loan	Selected Date

Download Market Rates

	Download
1 Month	Download
1 Year	Download
3 Year Income	Download
5 Year Income	Download
Green Loan	Download

Average Matched Rates

	3 Months	12 Months	All Time
1 Month	3.8%	3.9%	3.8%
1 Year	4.6%	4.8%	4.9%
3 Year Income	7.7%	7.9%	8.0%
5 Year Income	8.9%	8.9%	9.3%
Green Loan	6.4%	6.3%	6.3%

Last Matched Rates

1 MONTH: 3.3% at 10:52

1 YEAR: 4.1% at 10:59

3 YEAR INCOME: 8.0% at 10:55

5 YEAR INCOME: 9.1% at 10:51

GREEN LOAN: 6.5% at 23:03

Lending markets

- Rate history
- Volume
- Provision Fund
- RateSetters



Tip

» You can select the 'Volume' checkbox to also see historical loan volumes.

THE PROVISION FUND

Click the 'Provision Fund' link to see important data relating to the Provision Fund including the amount of money in the Provision Fund and current estimated borrower defaults based on loans currently outstanding.

The screenshot shows the Rate%Setter web interface. The top navigation bar includes 'Your Lending', 'RateSetter Data', 'Account Settings', 'Earn More', and 'Help Centre'. The 'RateSetter Data' tab is active, showing a sidebar with links to 'Lending markets', 'Rate history', 'Volume', 'Provision Fund', and 'RateSetters'. The 'Provision Fund' link is highlighted. A callout box points to this link with the text: 'Click to view data on the Provision Fund'.

The main content area is titled 'Provision Fund' and includes a sub-header 'Provision Fund Data'. It contains three main sections:

- Balance:** A table showing the 'Provision Fund balance' as \$6,744,338. A callout box points to this value with the text: 'The amount of money in the Provision Fund'.
- Key Statistics Since Inception:** A table with the following data:

Claims on Provision Fund	100% of late payments and defaults
Claims paid by Provision Fund	100% of total claim value
Total amount lent	\$196,904,516
Total principal repaid by borrowers	\$78,473,815
Current funds on loan	\$118,430,702
Current estimated bad debt rate*	<3.3%
Current estimated bad debt*	\$3,927,392
Current estimated default coverage ratio*	1.7x

A callout box points to the 'Current estimated default coverage ratio*' of 1.7x with the text: 'Money in the Provision Fund divided by current estimated borrower defaults'.
- Current Funds on Loan:** A table with the following data:

Status	Value	% of total funds on loan
Loan up to date	\$114,178,523	96.41%
Payment up to 30 days late	\$86,902	N/A
Loan 1 month in arrears	\$432,573	0.37%
Loan at least 2 months in arrears	\$1,535,146	1.30%

*Our estimate of borrower defaults may change at any time without notice.

Our ambition is to ensure that the Provision Fund is sufficiently capitalised to be able to protect lenders on an on-going basis such that they do not suffer financial loss. However, the Provision Fund is not a guarantee or an insurance product. See the [Product Disclosure Statement](#) for further information on the Provision Fund.

NEXT STEPS

Congratulations on becoming a RateSetter.

We encourage you to dig deeper into our website – this is, after all, just a guide to get you started. On our website you will find more information in relation to:

- Account history
- Email notification settings
- Tax statements (when available)
- Setting up one-off and automatic withdrawals

We also encourage you to visit our [blog](#), which provides regular commentary on RateSetter and peer-to-peer lending.

Yours truly,
The RateSetter team

Contact us at 1300 768 710 or
contact@ratesetter.com.au

