

RateSetter Legal Finance

Guide for lawyers

Rate%Setter™

RateSetter Legal Finance

Australia's leading provider of specialist legal loans for family law matters.

We believe all Australians deserve to be treated fairly.

We provide your clients with a responsible and affordable source of funds, allowing you to be paid on time and freeing you to focus on providing accurate and timely advice.

RateSetter is a leading peer-to-peer lender. We use technology to cut out the costs and inefficiencies of traditional lenders to give your clients a faster, better deal.



Improve your cashflow

We pay your invoices after they're approved by your client, improving your working capital and removing from you the burden of carrying fees - with no financial commitment from you.



A social purpose

There is often an imbalance in financial means between spouses. We give your client the opportunity to secure a fair outcome by allowing them to obtain the representation they deserve.



Focus on advice

Unpaid fees place strain on the lawyer/client relationship, and on third parties such as Counsel. Our loans remove the pressure for all involved.



A trusted partner

The RateSetter group globally has funded more than \$200 million in legal costs, helping more than 2,500 clients across the UK and Australia.

Your clients will love RateSetter Legal Finance



Low cost and simple

Low rates, no interest on undrawn funds, and no early repayment penalties



Fast and fair

No payments of any kind until your client's matter settles



Access to justice

Helps clients access legal services; a fundamental requirement of a just and fair society



Specialist legal loans

Loans designed for family law matters and managed by lawyers who understand the legal process

Interest rates, fees and charges

Interest rates	Indicatively, a variable rate of around 4% p.a., depending on rates in our lending markets. Interest is paid on the amount owing and goes to our lenders.
Credit assistance fee	4% on the amount of credit sought. One-off fee incurred at the commencement of the loan and is paid to RateSetter.
Risk Assurance charge	5% on every dollar drawn down on the loan. A single payment each time the loan is drawn and is paid into our Provision Fund to cover risk.
Monthly fee	\$80 per month. For as long as the loan is outstanding, and is paid to RateSetter.

A tailored approach to lending

We offer personal loans specifically designed to fund legal fees for family law matters: each loan has simple features, a low rate, and expert support from our specialist legal team.

Term	2 year term with extensions available [†]
Security	A caveat or mortgage registered over interests in real estate
Loan amount	Typically, we lend up to 30% of a conservative estimate of the expected property settlement. Our loans are from \$25,000 to \$400,000
Repayments	No payments required during the life of the loan. All fees, interest and principal are repaid once, in full, at end of term or at conclusion of property settlement
Repayment method	Single payment from settlement proceeds (or other sources)
Legal fee payments	Once the lawyer has issued an invoice and the client has approved payment, we transfer funds directly to the lawyer's account
Total cost	Typical borrowers experience total cost at an effective interest rate of 9.8% p.a. for 2 years. Detailed examples provided in our "Guide for Borrowers"

[†]We understand that in legal proceedings, repayment is often linked to an event such as the sale of a property or a settlement. If required, finance may be extended beyond the initial 24 month term.

Your invoice is paid directly

- ✔ Once you have issued an invoice, you send the invoice to both us and the client via email. Once your client confirms the invoice, we will transfer funds to your nominated account.
- ✔ We can also transfer directly to your trust account on written approval from the client - this is particularly useful in advance of Court for anticipated disbursements, or if you require a top-up of money held in trust.

What we ask of you

- ✓ Becoming an accredited referrer is via online application. We require no financial commitments from you; we do not require you to guarantee your client's debts; and there is no conflict of interest in recommending us.
- ✓ To help us manage the risk of lending, you will receive, and will be asked to acknowledge, irrevocable instructions from your client that you receive their settlement proceeds into your trust account, and then the first transfer out of trust is in discharge of their RateSetter loan.
- ✓ You also agree to provide us with reasonable updates on the progress of the matter. If the loan runs out and the matter has not resolved, then we may consider advancing further funds. If we cannot lend further, you are not obligated to carry the client to completion; although, we do ask that you at least consider it. Our loans, therefore, should be sufficient in size to see matters to completion.

Start referring clients in 3 easy steps



Sign up

Complete the accreditation form via our website



Accept Referrer Agreement

Acceptance of the T&C's is done electronically at the end of the online form



Refer

Clients submit their application online, and you assist each time by answering the lawyer case summary

Contact us today at legalfinance@ratesetter.com.au or call our Legal Finance team on **1300 861 410**

We are different to Litigation Funders

RateSetter Legal Finance	Litigation Funders
Governed by responsible lending obligations: National Consumer Credit Protection Act 2009 (Cth) Fees and charges regulated	Light regulation through the Corporations Amendment Regulation 2012 (No. 6) (Cth) regarding Conflicts of Interest only No limit to the fees that can be charged
Licensed by ASIC AFSL: 449176 Maintains capital adequacy thresholds under AFSL	No mandatory licencing or prudential supervision No capital adequacy requirements
Provide a personal loan	Invest in the outcome of a class action or litigation
Does not fund speculation	Funds speculation through no win no fee and relying on the outcome of litigation
Loan needs to be repaid, regardless of outcome	Success and failure risk lies with the funder
For the benefit of individuals	Usually for the benefit of a class of people
Family Law matters only	Generally commercial or negligence disputes
Interest charged on borrowed funds, not the size of the settlement	Charge a percentage of the “winnings” after legal costs have been reimbursed
Does not interfere with the lawyer’s management of the case	Often control the litigation proceedings and appoint the legal representation
Does not dictate settlement terms	Can decide on settlement terms - both quantum and timing
Not responsible for the other party’s costs	Often responsible for the other side’s costs should the litigation be unsuccessful

Simple application process for clients



Step 1: Contact

Clients complete the online application form with just a few quick steps.



Step 2: Assessment

With their permission, we speak to you about their case to ensure we meet responsible lending obligations. Confidentiality is preserved and Legal Professional Privilege is not waived.



Step 3: Decision

If approved, they'll receive loan documents to be signed and returned, containing all the information they need to know about their loan.



Step 4: Funds

Funds will be paid directly to your account after invoices are issued and approved by your client.

Visit RateSetter.com.au/legal-finance to get started

We're here to help

To become accredited with RateSetter,
contact us today at

legalfinance@ratesetter.com.au or

call our Legal Finance team
on 1300 861 410

RateSetter is regulated by ASIC, holding an Australian financial service licence number 449176 and Australian credit licence number 449176.

The information contained in this document should **not** be taken as financial product advice and has been prepared as general information only without consideration for your particular investment objectives, financial circumstances or particular needs. RateSetter Australia RE Limited ABN 571 666 466 35 holds Australian financial services licence number 449176 and Australian credit licence number 449176.

Our loan terms and conditions are available at www.ratesetter.com.au

RateSetter takes your privacy seriously. All information about you is held subject to our Privacy Policy which is available at www.ratesetter.com.au

Copyright© 2017 RateSetter Australia Pty Ltd. All rights reserved

