

# FAQs for clients

---

## Funding

### How does RateSetter's Family Finance funding work?

- ▶ Your solicitor needs to apply for a credit limit. The credit limit is the total amount required to fund your case. Once approved in principle for a credit limit, your solicitor will be able to request funds from RateSetter to cover each of your invoices.
- ▶ Funds will be transferred under separate loan agreements. You will need to sign each loan agreement, which will be identical in content, except for the amount borrowed. The signing process is easy and completed online. The aggregate value of the separate loans cannot exceed the total credit limit.

### Do you take security?

Yes, we take security over your settlement proceeds using a Deed of Assignment which covers the whole series of loans.

### Will I be charged for asking questions about the loan?

Yes, your solicitor is entitled to charge for time incurred in dealing with your loan. Any time incurred will be shown on your solicitor's invoices.

## Applying for a credit limit

### How do I apply for a credit limit?

Once your solicitor has determined the cost of your case, your solicitor will make an application on your behalf. You will need to sign the application form and provide the necessary supporting documentation.

### At what stage in the proceedings can I apply for a credit limit?

Following a divorce petition, we welcome credit limit applications at any stage prior to settlement.

### How long does it take to get approval for a credit limit?

We will respond within 3 working days with a credit limit decision. This may take a little longer in the event of a complex case.

## Applying for a loan

### Following approval for a credit limit, how do I request funds?

Your solicitor will request funds on your behalf, by copying you into a request email with the invoices to be paid attached. Before any funds are sent, you will receive an electronic loan agreement from RateSetter, which you will need to review and sign online. Following receipt of your online signature, we will drawdown the loan and release funds to the account designated by your solicitor the following working day.

## Loan amount

### What is the minimum and maximum you will lend?

The minimum credit limit we offer is £10,000, and the maximum is £500,000 although, we will review larger borrowing requests on a case by case basis. The minimum drawdown we offer is £2,500.

## Loan charges

### How much do the loan(s) cost?

The APR of the loan(s) is 14.9%.

### Do you have a representative example?

A £10,000 drawdown will be repayable by one payment deferred for 12 months at an APR of 14.9% fixed. Total amount payable after one year will be £11,494.

## Lending criteria

### What is your lending criteria?

You must be 21 years of age or over with a good credit history. You must be a resident in the UK and be planning to stay in the UK for the duration of the divorce. The assets in the case must include a UK property and need to be sufficient to repay the loan(s).

### Do you run credit checks?

We will run a credit check when a loan application is made. For the initial credit limit assessment, we will only perform a soft check to protect your credit rating.

### Do you run ID checks?

Yes, we run ID checks online using the information provided in your application form. If we are unable to validate your identity we will require a driving licence and/or passport and proof of address, e.g. a utility bill or bank statement, dated within the last 3 months

### Do you fund other types of family cases?

We do not currently accept TOLATA, cross-jurisdictions or Schedule 1 cases for funding.

## Repayment of the loans

### When do the loan(s) get repaid?

The loan(s) get repaid at the earlier of the settlement of the proceedings, or 1 year. We understand that sometimes proceedings go on for longer than 1 year and in these circumstances we would endeavour to facilitate the refinancing of your loan(s) for a further year.

### How do loans get repaid?

Under the Client Instruction Letter you will instruct your solicitor to repay the loan(s) out of settlement monies they receive. If for whatever reason your solicitor does not receive settlement monies then you will be required to repay the loan(s) directly to us.

### Can I repay the loan(s) in instalments?

No, the loan(s) needs to be settled in full and in one payment at the end of the term.

### Can I repay the loan(s) early?

Yes, the loan(s) can be repaid early at any time at no extra cost.

### Can I change solicitor?

Yes, however, you would be required to repay the loans in full.

### What happens if I reconcile with my spouse?

You will remain liable to repay the full amount borrowed together with accrued interest.

## Communicating with RateSetter

### Can I call someone at RateSetter to discuss my loan(s)?

We ask that your solicitor is the point of contact throughout the process, including the application process; the loan requests; any requests for extension; requests for redemption statements or statements of account; and facilitating repayment. However, if you want to withdraw from the loan, repay early or make a complaint about the loan, you should contact us directly.

### Does my spouse need to be notified about the loan(s)?

Yes, your solicitor will inform your spouse or spouse's solicitors. This is done through the solicitors with a Notice of Assignment provided by RateSetter. This is to ensure they are on notice to transfer settlement monies to your Solicitors so they can repay the loan on your behalf.

### Can I receive a statement during the loan(s) showing me how much I have borrowed and how much interest I owe?

You can ask your solicitor to request a statement at any time.

## Independent Legal Advice

### Do I need to take Independent Legal Advice?

Yes, you will need to take Independent Legal Advice.

 **RateSetter, 6th Floor, 55 Bishopsgate, London EC2N 3AS**  **familyfinance@ratesetter.com**  **020 3176 7181**

---

RateSetter is a trading name of Retail Money Market Ltd (Company No. 7075792) and our offices are at 6th Floor, 55 Bishopsgate, London EC2N 3AS. Authorised and regulated by the Financial Conduct Authority (Ref. 722768).

