

Fintech for over 55s secures a milestone £305M investment

Free2, a new financial services brand for the over 55s market, completed a milestone £305M fundraising round with NatWest Markets and a major European special situations fund.

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A new financial services brand for the over 55s market, free2, announced the completion of a milestone fundraising round with NatWest Markets and a major European special situations fund. NatWest Markets has provided a securitisation facility of up to £200M to assist free2 in funding new customer loans. Junior debt funding of £105M is being provided by the European special situations fund which will finance both working capital and new customer loans. Together, the funding will be used to support the launch of free2's first product beginning of June.

Free2 was set up by Paul Lindsay, formerly of The eXchange, and has a management team in place with decades of experience across financial markets. The business is focused on developing new and innovative products aimed specifically at the 55 and over the market, a group of people that the team believe have been historically underserved by financial services providers.

Importantly, free2 aims to harness the benefits of technology whilst maintaining human contact and providing a personalised service for its customers. It has developed a proprietary platform that automates large parts of the application process whilst utilising innovative decision-based technology to address suitability criteria and to identify and protect potentially vulnerable customers.

“It is largely unprecedented for a start-up to sign such significant credit facilities with institutional partners. That we’ve been able to do so is a powerful endorsement of our business proposition and the brand that free2 plans to develop.” - Jamie Robinson, Chief Capital Officer at free2

Free2’s first product, which has been in testing and development for two years, will offer an innovative alternative option for individuals seeking Later Life Lending products.

“Free2 was built out of a recognition that financial services have not kept pace with the changing demands of modern retirement. As a result, a large segment of the market does not have access to financial products that are appropriate for their goals and objectives once they reach 55. Our mission is to change that. By catering specifically for these customers, we’re seeking to create products that promote freedom and choice and that provide opportunity rather than limitations for those assessing what they want to achieve in retirement. We call it 'financial free thinking', and today’s announcement is an important milestone as we begin that journey.” - Paul Lindsay, Founder & CEO of free2

Free2 aims to provide a diverse suite of products for the UK over 55s market, each with customer protection placed at the heart of the application, acceptance and relationship management process.

“Customers want choice, but they also want security and peace of mind. That’s why we’ve built our business with responsibility at its core. We’re setting a new standard in customer protection that we hope will prompt others to follow suit. It’s now more important than ever to ensure customers are empowered through clear information and guidance on the suitability of financial products.” - Paul Lindsay, Founder & CEO of free2



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