

QardHasan Lenders Risk Statement

QardHasan is a trading name of EdAid Ltd. The capitalized terms used in this statement are defined in the [QardHasan Principles](#). (please read them and keep a copy for your records.) QardHasan enables you to make a loan (zero interest, no inflation indexations) to a student Borrower(s) under individual Loan Contracts. QardHasan is not a party to those Loan Contracts, but agrees to administer them on the terms of the QardHasan Principles.

Before we allow each Borrower to receive your money, we make identity, fraud and where possible credit checks. We are a (pending) member of CIFAS, the fraud prevention service. We also use the Borrower's course of study, academic performance and institute of study and certain additional information that we verify, to assess the affordability of the loan. If we find that the information was inaccurate or deficient the Loan Contract will not proceed.

Your loans are repayable to you via your account at GoCardless or Stripe in monthly instalments of the principal amount. You lend your money directly to a student so if that student is unable to repay this may affect the timeframe over which your loan is repaid. Borrowers are provided with every opportunity and support to make their repayments. Deliberate failure to repay will result in default and a collections agency being appointed. The expected default rates are unknown at this stage, and you should invest in the full knowledge that your capital is at risk. (Comparable peer-to-peer platforms have default rates less than 0.2%)

Key Points

- Your loan account and current repayment schedules (forecast) can be seen in your Account Profile at any time.
- Repayment by the student Borrower are fixed at 10% of their Net Monthly Income and additional borrowing by the same student Borrower subsequent to the current Appeal will result in a longer repayment time to all the lenders
- QardHasan does not charge an Annual Lender Fee or any other fees to our lenders.
- The Loan Contracts do not contain security provisions, and you should be aware of that when making any decision to invest.
- We do not hold client money at any time.
- Your money does not form part of QardHasan's assets and would not be available to our creditors in the event of our insolvency.
- We administer Loan Contracts in a way that ensures that the fees payable in relation to those Loan Contracts will be sufficient to cover the costs of administering them during any winding down process if we were to cease trading for any reason.
- QardHasan customers do not have recourse to the Financial Services Compensation Scheme.