



Overview

Lending Club (NYSE:LC) is the world's largest online credit marketplace, facilitating personal loans, business loans, and financing for elective medical procedures and K-12 education and tutoring. Borrowers access lower interest rate loans through a fast and easy online or mobile interface. Investors provide the capital to enable many of the loans in exchange for earning interest. We operate fully online with no branch infrastructure, and use technology to lower cost and deliver an amazing experience. We pass the cost savings to borrowers in the form of lower rates and investors in the form of attractive returns. We're transforming the banking system into a frictionless, transparent and highly efficient online marketplace, helping people achieve their financial goals every day.

History & Milestones

- Headquartered: San Francisco
- Established: 2006
- Founded by: Renaud Laplanche, CEO
- First personal loan facilitated: May 2007
- Launch of small business loans: March 2014
- Launch of education financing and patient financing: April 2014 through the acquisition of Springstone Financial.
- IPO: December 11, 2015

In 2006, Renaud Laplanche, a successful entrepreneur who had recently sold his company to Oracle, looked at his credit card statement and realized that despite a great credit history, he would pay an 18 percent APR on his credit card balance, while his deposits at the same bank were earning less than one percent interest. This inspired him to do more research, and he began to understand just how inefficient the traditional banking industry is. Renaud founded Lending Club on the premise that an online marketplace would offer an efficient and transparent experience for borrowers at lower operating costs. Lending Club utilizes technology to lower costs and deliver a better consumer experience. We measure the quality of the experience we deliver by monitoring the net promoter score (NPS)* of our customers: borrowers for example have shown a NPS consistently up in the 70s since we began surveying borrowers in January 2013, which places us at the upper end of customer satisfaction ratings for financial services where the average NPS is in the 20s.

How It Works

Making Credit More Affordable

Joe doesn't want to keep the moving expenses he's just incurred on his credit card, where he's charged an 18% APR.

He decides to check his rate with Lending Club. The marketplace's risk ranking algorithm assigns an APR that Joe finds appealing.

His loan is listed anonymously on our marketplace, where hundreds of investors each invest in a \$25 fraction of the loan. A fixed monthly payment of principal and interest is automatically deducted from Joe's bank account; 36 months later, he's paid off his loan.

Making Investing More Rewarding

Jane doesn't like the volatility of the stock market or the 0.45% APY she's earning on her "high yield" savings account.

She decides to open an account online with Lending Club, which only takes a few minutes, and transfers money into her account.

Jane can build her portfolio by choosing loans individually or use our automated investing service.

Jane creates a portfolio of hundreds of loan fractions.

Jane receives monthly payments, after deduction of a service fee, which she can take as cash or reinvest.

Performance

Annual platform loan facilitation:

2007: \$4.8 million
2008: \$20.0 million
2009: \$51.8 million
2010: \$126.4 million
2011: \$257.4 million
2012: \$717.9 million
2013: \$2.06 billion
2014: \$4.38 billion
Total to date: \$11.2 billion

Annual operating revenue:

CY 2007: nm
CY 2008: nm
CY 2009: \$1.4 million
CY 2010: \$5.7 million
CY 2011: \$12.5 million
CY 2012: \$34.0 million
CY 2013: \$98.0 million
CY 2014: \$213.4 million
Total to date: \$542.1 million

Standard Program Personal Loan Borrowers (through 6/30/2015)	<p>Average loan size: over \$14,550</p> <p>Average FICO: 699</p> <p>Average Income: over \$73K</p> <p>Loan purpose: 70.45% of borrowers report using their personal loans to consolidate debt or pay off their credit cards.</p> <p>APRs: 5.99% to 32.99%** Fees: one-time origination fee of 1% - 5% depending on loan grade (included in APR and subtracted from loan proceeds prior to disbursement)**</p> <p>Borrowers who received a loan to consolidate existing debt or pay off their credit card balance reported that the interest rate on the loan they received through our marketplace was, on average, 7.0 percentage points lower than they were paying on their outstanding debt or credit cards, reducing their rates by 32%.***</p> <p>Based on a review of the credit performance of borrowers who received a loan from January 2013 through January 2015 to consolidate existing debt or pay off their credit card balance, 77% of borrowers experienced an average increase of 21 points in their FICO score within three months after obtaining their loan, which we believe is in part attributable to a reduction in interest rate and a reduction in the borrower's total revolving balance.</p>
Standard Program Personal Loan Investors (through 6/30/2015)	<p>Historical returns by Grade A-C of 5.19% to 8.88%****</p> <p>Fees: Lending Club charges a servicing fee to investors for servicing loans, processing payments, collections activities, and maintaining accounts. The servicing fee paid by investors is one percent (1%) of borrower payments rounded to the nearest whole cent or one cent.</p> <p>Lowest investment increment: \$25</p>
Interest Rates	<p>Average interest rate, 36-month loans (Q215): 11.25%</p> <p>Average interest rate, 60-month loans (Q215): 15.52%</p> <p>Average interest rate, all loans (Q215): 13.12%</p>
Recent News	<p>07/14/2015: Lending Club Opens to Investors in Arkansas, Iowa, and Oklahoma</p> <p>06/29/2015: Lending Club Platform Opens to Investors in Texas and Arizona</p> <p>06/15/2015: Lending Club and Opportunity Fund Announce Partnership to Grow Responsible Small Business Lending</p> <p>More recent news can be found here.</p>
Investors	<p>Foundation Capital, Union Square Ventures, Canaan Partners, Norwest Venture Partners, Morgenthaler Ventures, Kleiner Perkins Caufield & Byers, Google, DST Global, Coatue Management LLC</p>
Board of Directors	<p>Renaud Laplanche – <i>CEO, Lending Club</i></p> <p>John Mack – <i>Former CEO, Morgan Stanley; Former CEO, Credit Suisse</i></p> <p>Mary Meeker – <i>General Partner, Kleiner Perkins; Former Managing Director, Morgan Stanley</i></p> <p>Lawrence Summers – <i>President Emeritus, Harvard; 71st Secretary of Treasury</i></p> <p>John (Hans) Morris – <i>Former President, Visa; Former CFO, Citi Markets & Banking</i></p> <p>Dan Ciporin – <i>Partner, Canaan Partners; Former EVP, MasterCard</i></p> <p>Jeff Crowe – <i>Partner, Norwest Venture Partners; Former CEO, Edify</i></p> <p>Simon Williams – <i>Former head of Citigroup's Global Consumer Group risk management</i></p>
About Renaud	<p>Born: Hyères, France</p> <p>Lives: San Francisco, CA</p> <p>Age: 44</p> <p>Birthday: October 15</p> <p>Renaud started his career as a securities lawyer with New York law firm Cleary Gottlieb Steen & Hamilton. He founded his first company, TripleHop Technologies, in 1999 in order to solve a basic problem: he was unable to efficiently search and retrieve corporate documents throughout the firm's network and archives. He quickly realized that most law firm professionals—and most workers in America—were sharing the same basic problem. TripleHop went on to solve that problem, becoming one of the largest companies in its space. Its award-winning software MatchPoint was acquired by Oracle in 2005. Renaud was recently named “best start-up CEO” by Business Insider, and won the 2014 Economist Innovation Award in the Consumer Products category.</p> <p>Hobbies: Began sailing at 10. Began competitive sailing at 14. Renaud holds three world speed sailing records.</p>

Media Contact

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* NPS is a commonly used measure of customer loyalty and satisfaction, ranging from negative 100 to positive 100, based on direct questions to borrowers.

** For information on rates and fees, please visit <https://www.lendingclub.com/public/borrower-rates-and-fees.action>.

*** Based on responses from 14,986 borrowers in a survey of 70,150 randomly selected borrowers conducted from July 1, 2014 – July 1, 2015, borrowers who received a loan to consolidate existing debt or pay off their credit card balance reported that the interest rate on outstanding debt or credit cards was 21.8% and average interest rate on loans via Lending Club is 14.8%.

**** As of June 30, 2015. To be included in the Historical Returns calculation, a Note must have been originated prior to December 31, 2013. Historical Returns are Lending Club's adjusted net annualized returns (Adjusted NAR) for Notes with Grades A through C. Adjusted NAR is calculated using the formula described [here](#). Adjusted NAR is based on monthly borrower payments actually received net of Lending Club's service fees, actual charge offs, recoveries, and adjustment for estimated future losses. To estimate future losses, we apply a loss rate estimate to the outstanding principal of any loans that are past-due but not charged off. The loss rate estimate is based on historical charge off rates by loan status over a 9-month period. Historical Returns are not a promise of future results. Lending Club Notes are not insured or guaranteed and investors may have negative returns. Individual portfolio results may be impacted by, among other things, the diversity of the portfolio, exposure to any single Note or group of Notes, as well as macroeconomic conditions. Notes are offered by [prospectus](#) filed with the SEC and you should review the risks and uncertainties described in the prospectus prior to investing in the Notes.