

Lending Club Acquires Springstone

Deal Value: \$140 million

Sandler O'Neill served as financial advisor to Springstone Financial in connection with the transaction.

This transaction is Sandler O'Neill's 166th financial services transaction since January 1, 2011, more than any other investment bank over this period.¹

SAN FRANCISCO – April 17, 2014 – Lending Club, the nation's leading online credit marketplace, announced today that it has acquired Springstone Financial for a total consideration of \$140 million in cash and stock. Springstone provides affordable financing options for consumers looking to finance private education and elective medical procedures through a network of over 14,000 schools and healthcare providers.

"The acquisition of Springstone is significantly expanding the services we offer to help consumers achieve their goals," said Lending Club CEO Renaud Laplanche. "Parents looking to finance their children's education and patients undergoing elective procedures will now have access to Lending Club loans and benefit from responsible, transparent and affordable financing options."

Mike Gilroy, CEO of Springstone, said, "Lending Club has established a great reputation as an innovator. We've built strong bridges between providers and patients and between educational institutions and parents. We're excited to become part of the Lending Club platform, which will bring new financing options to our network."

As part of the financing of this transaction, Lending Club also announced the closing of an equity capital raise. Investors in the \$65 million round included funds and accounts managed by T. Rowe Price Associates, Inc., Wellington Management Company, LLP, BlackRock and Sands Capital.

Lending Club also raised \$50 million in debt financing to fund the acquisition.

Since facilitating its first loan in May 2007, Lending Club has more than doubled annual loan volume each year. By using technology and an innovative process, Lending Club matches creditworthy borrowers with investors looking for yield. Borrowers benefit from rates generally lower than credit cards, and the platform's investors have enjoyed solid returns. As of April 17, 2014 more than \$4 billion in personal loans have been originated through the Lending Club platform, enabling more than 250,000 consumers to achieve their financial goals. Lending Club recently launched a small business loan platform designed to help small business owners access affordable credit.

(1) Source: SNL Financial. Excludes terminated transactions and self-advisory roles

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